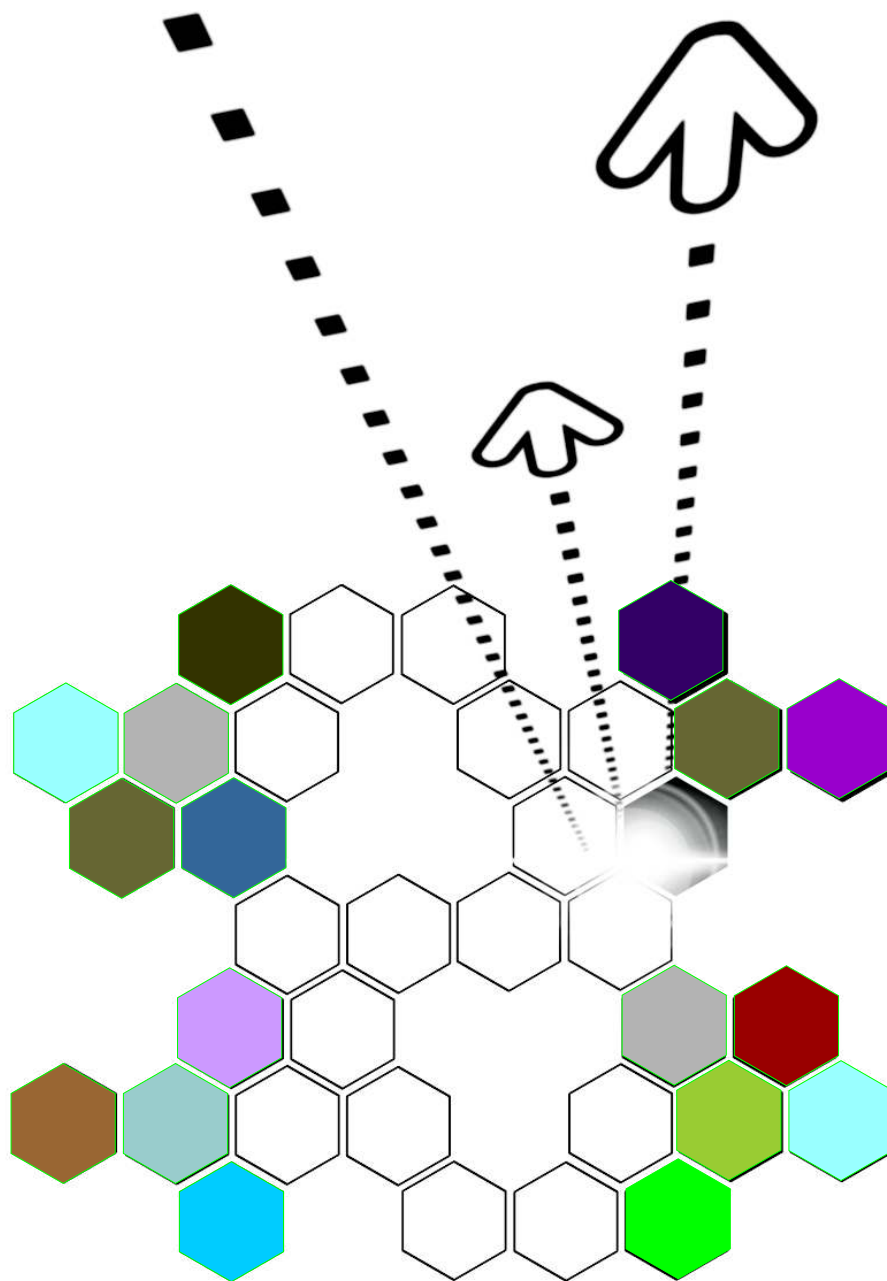
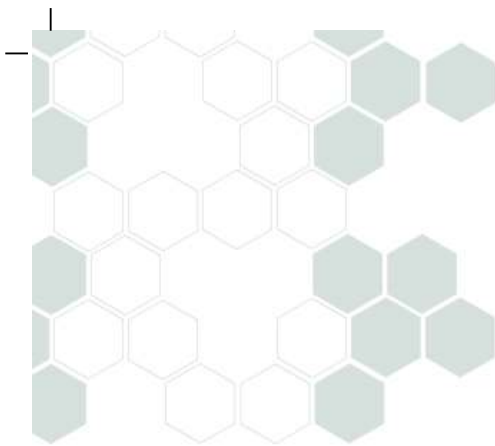




Expanding Opportunities



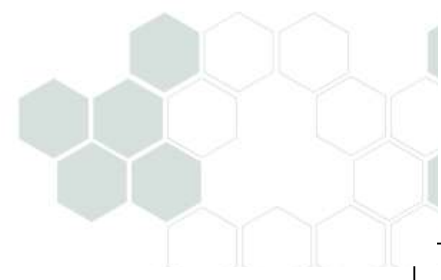
Lumax Auto Technologies Limited
Annual Report 2009-10



Sh. SAGAR CHAND JAIN
18-11-1920 to 31-12-2009

With profound grief and sorrow we wish to inform the sad demise of our Chairman
Emeritus
SHRI SAGAR CHAND JAIN
who left for his heavenly abode on 31st December 2009.

Shri Jain started his business career in 1945 by forming a trading company. Over decades his vision and dedication has made Lumax a household name in India. Shri Jain was a very simple man and always worked for the betterment of society and upliftment of his family. He was a man of few words but believed in action. His passion for new technology and total focus on quality has gone a long way in making Lumax a market leader in the Indian Automotive lighting arena. Shri Jain was a very approachable man and would entertain any worker or supplier who came to meet him for his advice. He had a big heart and believed in forgiveness. The whole Lumax family prays for his kind soul and pledges to take forward the great legacy laid down by him to achieve greater heights in future.





Chairman's Message

Dear Shareholders,

With a heavy heart, I wish to inform you about the said demise of our chairman Emeritus, my father Shri Sagar Chand Jain who left for his heavenly abode on 31st December, 2009.

Through humble beginnings to a corporate entity of Rs.1000 crore, has been a journey of more than 6 decades which was the vision of Shri S.C. Jain. He was instrumental in laying a strong foundation for growth and a brighter future for the group. His principals of honesty, hard work, dedication and customer focus have made the group grow leaps and bounds and attain a respectable name throughout our customer base. November the 18th, the birthday of Shri S.C. Jain is marked as the founder's day in the whole group. This is the day when we pledge to walk on the path shown by our Chairman Emeritus with Integrity, Loyalty, Passion and Commitment, to make our group an entity which India takes pride in.

Shri S.C. Jain's loss is a big loss not only to me personally but to the whole group. I request you to join me in praying for his holy soul.

Constantly working on the path shown by our founder, in the last 6 decades the group has established 5 companies with 13 manufacturing plants across the country.

The country and auto industry weathered the storm of the worst financial crisis with a lot of courage, determination and sound government policies. The stage now looks set for bigger and better things in the coming decade, and more.

In line with the country's economic growth of 7.40%, the Indian Automobile sector showed a remarkable recovery in the year ended March 31, 2010 and it registered a growth of 25.76 percent this year, which is the highest growth rate in the last seven years.

Your company also registered a remarkable growth of 41% in line with Industry growth trend for the year ended March 31st 2010. The EBDITA margins were recorded at Rs. 128.35 Million for this year as against Rs. 39.87 million in the previous year - an increase of 221.92% as compared to the previous year.

With the Indian Economy on a growth path, we are all poised to be a part of this growth. However, I would like to urge that we should constantly monitor our expenses and should ensure best utilization of our resources. In the past one year, we have taken lot of measures to face recession, we must not forget these initiatives in times of growth.

I would like to thank all the employees of Lumax for their unconditional support, especially in hard times and to you for being with us through thick and thin. We remain committed towards enhancing our shareholders value.

D.K. Jain
Group Chairman



AUTO TECHNOLOGIES

BOARD OF DIRECTORS

Mr. D. K. Jain	(Chairman)
Mrs. Usha Jain	(Managing Director)
Mr. Anmol Jain	(Director)
Mr. Manmohan Sachdev	(Independent Director)
Mr. Sandeep Dinodia	(Independent Director)
Mr. A. V. Alexander	(Independent Director)
Mr. Dhiraj Dhar Gupta	(Independent Director)

HEAD FINANCE

Mr. Ashish Dubey

REGISTRAR & SHARE TRANSFER AGENT

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

COMPANY SECRETARY

Mr. Raju Bamane

AUDITORS

D. R. Barve & Company
Chartered Accountants
461/1, Sadashiv Peth,
4th Floor, Above. Dr. Phatak Hospital,
Opp. New English High School,
Tilak Road, Pune - 411030

REGISTERED OFFICE

W-230-E, 'S' Block, M.I.D.C., Bhosari,
Pune, Maharashtra - 411026
E-mail: shares@lumaxautotech.com
Website : www.lumaxautotech.com

BANKERS

Corporation Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
The Royal Bank of Scotland N.V.
State Bank of India
Syndicate Bank

WORKS

- 1) W-230-E, 'S' Block, M.I.D.C., Bhosari, Pune, Maharashtra.
- 2) Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra.
- 3) Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra.
- 4) Plot No. 54/8, D-II, Block-2, M.I.D.C., Chinchwad, Pune, Maharashtra.
- 5) W-28, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra.
- 6) A-8, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra.
- 7) Khasra No 817/73, Mauza - Moginand, Kala Amb, Tehsil - Nahan, District- Sirmour, Himachal Pradesh.
- 8) B-86, Mayapuri Industrial Area, Phase-I, New Delhi (Marketing Division).
- 9) Plot No. 165, Sector-5, IMT Manesar, Gurgaon, Haryana (Trading Division).

Lumax Auto Technologies Ltd.

29th Annual Report 2009-2010

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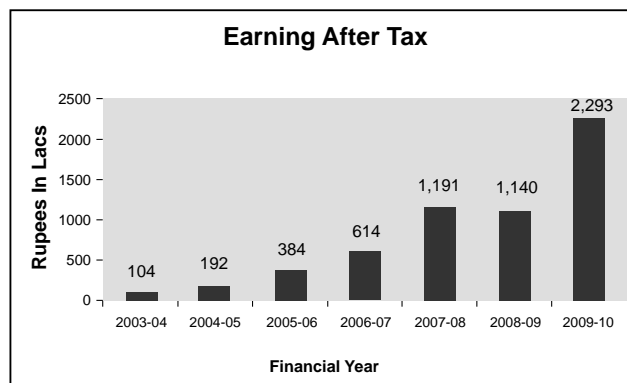
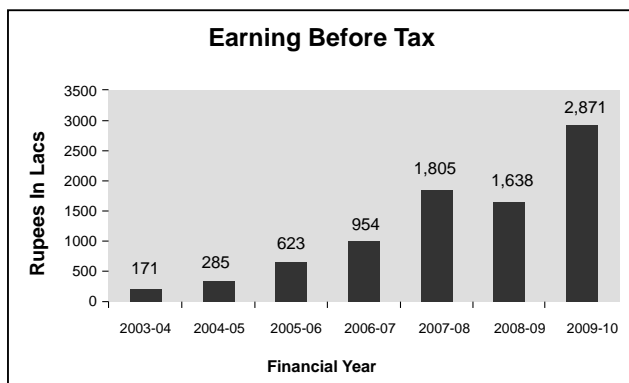
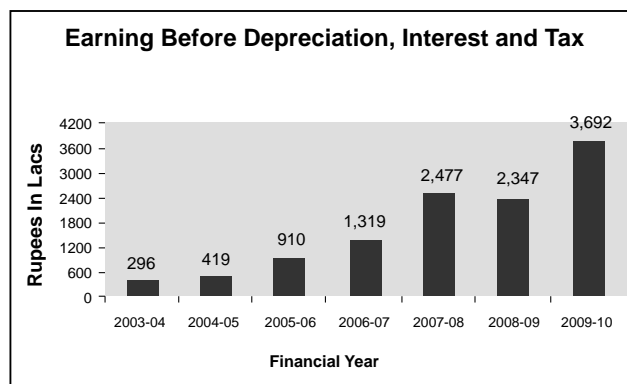
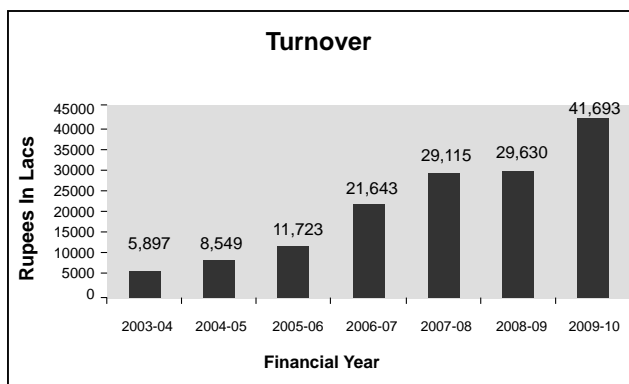
ANNUAL GENERAL MEETING ON MONDAY 26TH JULY, 2010

FINANCIAL DATA AT A GLANCE

(Rs In Lacs)

Particulars	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
Net Sales	41,693	29,630	29,115	21,643	11,723	8,549	5,897	4,033	4,824
% Growth	41	2	35	85	37	45	46	(16)	22
Other Income	88	70	104	26	15	13	10	11	10
Total Income	41,782	29,700	29,219	21,668	11,739	8,563	5,907	4,044	4,834
Earning Before Depreciation, Interest, Tax and Appropriations (EBDITA)	3,692	2,347	2,477	1,319	910	419	296	220	320
Interest	221	276	265	129	120	45	39	56	76
Cash Profit	3,471	2,071	2,212	1,190	790	373	257	163	244
% Rise In Cash Profits	68	(6)	86	51	112	45	57	(33)	136
Depreciation	600	433	407	236	167	89	86	74	68
Earning Before Tax (EBT)	2,871	1,638	1,805	954	623	285	171	89	176
% of EBT To Total Income	9	6	6	4	5	3	3	2	4
Earning After Tax (EAT)	2,293	1,140	1,191	614	384	192	104	64	176
% of EAT To Total Income	6	4	4	3	3	2	2	2	4
Equity Share Capital	1,163	1,163	1,163	1,163	714	344	344	344	396
Net Worth	8,161	6,378	5,436	4,482	1,327	481	359	350	500

Figures from Financial year 2005-06 onwards are given on Consolidated basis.



Lumax Auto Technologies Ltd.

DIRECTORS' REPORT

To The Members,

Your Directors are delighted to present the 29th Annual Report on the business and operations together with Audited Balance Sheet and Profit & Loss Account of your Company for the year ended 31st March, 2010.

FINANCIAL RESULTS

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

	Rupees in Lacs	
Particulars	2009-10	2008-09
Sales (Excluding Excise Duty)	22,702.74	16,126.43
Gross Profit (GP)	1,283.50	398.68
(-) Finance Expenses	136.10	139.83
(-) Depreciation	270.68	203.45
Profit Before Taxation (PBT)	876.73	55.40
(-) Provision for Taxation, Deferred Tax & FBT	199.24	(1.77)
Profit After Tax (PAT)	677.48	57.17
(+) Balance in the P&L Account B/F	69.32	221.72
(-) Prior Period Adjustment	-	2.45
Profit for Appropriation	746.80	276.44
Appropriation :		
Proposed Equity Dividend :		
(For 2009 - 10, Include Interim Dividend of Rs.116.32 Lacs)	465.26	174.47
Tax on Dividend (Net of Dividend Tax Set off)	28.72	29.65
Transfer to General Reserve	67.75	3.00
Balance retained in P & L Account	185.07	69.32

DIVIDEND

As members are aware that during the year under review, your Directors have declared and paid an Interim Dividend of 10% (Re.1 per Equity Share). Now, your Directors are pleased to recommend a Final Dividend of 30% (Rs.3/- per equity share) in addition to the interim dividend for the Financial Year ended March 31, 2010, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. The total amount of Dividend proposed to be distributed and tax thereon aggregates to Rs. 493.98 Lacs (including Dividend Tax) as against Rs.204.12 Lacs in the previous year. The Dividend payout ratio comes to 72.91 %.

An amount of Rs.67.75 Lacs is proposed to be transferred to General Reserve.

BUSINESS PERFORMANCE

Despite the shadows of global economic crisis continuing to cast a pall of gloom, current fiscal markers indicate that the Indian economy is on the verge of a strong comeback. The fundamentals of the economy are robust, the positives from recent performance outweigh the negatives.

In this background, by the second quarter the Indian economy showed signs of turning; and registered a GDP growth rate of 7.40% as compared to 6.70% in the corresponding previous year.

Similarly, the Indian Automotive Industry, due to strong linkages of the Industry with the economy was also impacted with the abovesaid changes in the Economy. However, the timely stimulus package announced by the Government of India helped the Industry and economy to recover lost ground. Consequently, the automobiles production in the year 2009-10 recovered remarkably registering a growth of 25.76% as compared to the corresponding previous year

Your Company also registered a growth of 41% during the year under review by achieving a Sales Turnover (Net of Excise) of Rs.22,702.74 Lacs (on Standalone Basis) as against Rs. 16,126.43 Lacs (on Standalone Basis) in the corresponding previous year.

The significant contribution for the growth was mainly attributed by sale from new trading unit at Manesar (where company started new trading activity of Levellor Motors), Development of new product line of Fabrication of Seat Frames for various four wheelers, good order book from its leading customer Bajaj Auto Ltd., Development of new lighting products for four wheelers segment at Bhosari unit, Better utilization and production of Adjustor Levellor Motors at its Chakan unit, better capacity utilization at Waluj plant to execute the strong orders book and a growth of 28% in After Market sales of the Company over the previous year.

The Profit Before Tax (PBT) reported for the current year increased to Rs.876.73 Lacs (on Standalone Basis) from Rs.55.40 Lacs (on Standalone Basis) as compared to previous year, resulting 1483% rise, as compared to the previous year. One of the major reason contributing to higher PBT is on account of Dividend Income amounting to Rs. 288.34 Lacs received from 100% Subsidiary Company – Lumax DK Auto Industries Limited.

On Consolidated Basis, your Company registered a growth of 39% during the year under review by achieving a Sales Turnover (net of excise) of Rs. 41,693.18 Lacs as against Rs.30,040.13 Lacs in the corresponding previous year.

The Profit Before Tax (PBT) for the current Year is Rs.2,871.09 Lacs as against Rs. 1,637.90 Lacs on Consolidated Basis as compared to the corresponding previous year, registering a growth of 75.29 %.

NEW OPERATIONS / BUSINESS

During the year ended March 31, 2010, the company has successfully started following new operations:

1. A new trading Unit was started at Manesar, Haryana, for Trading of Adjustor Levellor Motors business and the same have achieved Turnover of Rs. 2,615.85 Lacs in first 7 months of operations from September 2009 onwards.
2. A new Plant was set up in March 2010, at Kale-amb in Himachal Pradesh for production of various Auto bulbs and related applications. This unit has been set up in the Special Industrial Area and is entitled for benefits of direct and indirect taxes as per the Industrial policy of the Government.
3. Diversified into Non-Auto Segment business LED based Lightings and other Infrastructural Lightings.
4. Started the commercial production of 'Seat Frame Business' and has added new customer in this segment during the year.

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

SUBSIDIARY COMPANY

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

During the year, the LDK -100% subsidiary of your Company has got recognition for In-house Research and Development (R&D) facility from Department of Science & Industrial Research, Ministry of Science & Technology and Government of India for its unit at Manesar for Gear Shifter. In the very first year, the unit has got an excellence award in Design & Development from Maruti Suzuki India Limited. This In-house R & D facility will enhance the capability of the LDK to secure more business in future.

In accordance with Section 212 of the Companies Act, 1956 the Audited Statements of the Accounts of the Companies Subsidiary Lumax DK Auto Industries Limited together with the reports of the Directors and Auditors thereon for the year ended March 31, 2010 are annexed hereto and form part of this Report.

JOINT VENTURE COMPANY

LUMAX CORNAGLIA AUTO TECHNOLOGIES PRIVATE LIMITED (LCAT)

The financial year ended 31st March 2010 was the second full year of operations of the Joint Venture Company, during which it has achieved Turnover of Rs. 714.56 Lacs and Profit before Tax of Rs. 72.51 Lacs (Unaudited).

During the year under review, the Joint Venture Company, which is supplying Air Intake systems to two leading automobile manufactures in India, now is in the process of supplying Air Intake System to two new world renowned Automobile manufacturers, making it the single source catering to all the vehicle platforms of these customers.

In its endeavour to increase the localization of parts, the Joint Venture Company successfully shifted its existing facility in October, 2009, at Chakan, Pune to produce Air Intake System, Filter Elements locally.

Now, the Joint Venture Company, in its bid to be a complete system supplier has also proposed to enter into the manufacturing of Intake Ducts for the same customers, the industrialization for which will be effected in 2011-12.

DIRECTORS

The Board consists of Executive and Non – Executive Directors including Independent Directors who have wide and varied experience in different disciplines of Corporate Functioning. In accordance with the provisions of Companies Act, 1956 and Articles of Association of the Company Mr. A. V. Alexander and Mr. Anmol Jain, Directors are retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

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

DIRECTORS RESPONSIBILITY STATEMENT

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

Lumax Auto Technologies Ltd.

- (i) That in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2010, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the Annual Accounts on a "going concern" basis.

FIXED DEPOSITS

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

AUDITORS

M/s D. R. Barve & Co, Chartered Accountants, having its Firm Registration Number (FRN) 101034W, are proposed for re-appointment as Statutory Auditors of the Company, from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. They have given their consent to act as Auditors of the Company and have further confirmed that their appointment would be in conformity of the provision of Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment for the approval of the Members 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.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company including its 100% subsidiary Lumax DK Auto Industries Limited as prepared in accordance with the Accounting Standard are annexed hereto and forms part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

OTHER INFORMATION

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

Information of Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms an integral part of this report. As per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to the shareholders of the Company excluding the Statement of Particulars of Employees under Section 217(2A) of the Companies Act, 1956. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the registered office of the Company and the same is also available for inspection in accordance with the provision of Section 219(1)(b)(iv) of the Companies Act, 1956.

GROUP

Pursuant to the intimation from the Promoters, the names of the Promoters and entities comprising 'Group' are disclosed in the Annual Report as **Annexure C**, for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

CORPORATE GOVERNANCE

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

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to all its highly valued Customers, its Technical Collaborators, Joint Venture Partners, all other business partners, all the Shareholders, Financial Institutions, Banks, Vendors and various Government agencies for their continued support and patronage.

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

For and on behalf of the Board of Directors

Place: Gurgaon
Dated: June 26, 2010

D. K. JAIN
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

a) INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK

ECONOMIC ENVIRONMENT

The global economic crisis did impact the economic growth story in India, albeit temporarily. The economy slowed down considerably in 4th Quarter of 2008 and 1st Quarter of 2009, following the financial crisis that began in the industrialized nations in 2007 and spread to the real economy across the world. The growth rate of the gross domestic product (GDP) in 2008-09 was 6.7 per cent, with growth in the last two quarters hovering around 6 per cent. There was apprehension that this trend would persist for some time, as the full impact of the economic slowdown in the developed world worked through the system.

However, backed by the stimulus offered by the Government of India, the economy recovered quite quickly in 3rd and 4th Quarter of 2009, not only in terms of overall growth figures but, more importantly in terms of certain fundamentals, which justify optimism for the Indian Economy in the medium to long term. The real turnaround came in the second quarter of 2009-10 when the economy grew by 7.9 per cent, thereafter 8.60% in the fourth quarter and 7.40% for the full year. [Source : Economic Survey 2009-10]

AUTO AND AUTO COMPONENT INDUSTRY

On the canvas of the Indian economy, automotive industry occupies a prominent place. Due to its deep forward and backward linkages with several key segments of the economy, automotive industry has a strong multiplier effect and is capable of being the driver of economic growth. A sound transportation system plays a pivotal role in the country's rapid economic and industrial development. The well-developed Indian automotive industry ably fulfils this catalytic role by producing a wide variety of vehicles viz passenger cars, light, medium and heavy commercial vehicles, multi-utility vehicles such as jeeps, scooters, motorcycles, mopeds, three wheelers, tractors etc.

Automotive Industry comprises of automobile and auto component sectors and is one of the key drivers of the national economy as it provides large-scale employment, having a strong multiplier effect. Being one of the largest industries in India, this industry has been witnessing impressive growth during the last two decades. It has been able to restructure itself, absorb newer technology, align itself to the global developments and realize its potential. This has significantly increased automotive industry's contribution to overall industrial growth in the country.

In the above background of fast paced economic recovery, the Indian Automobile sector also showed a remarkable recovery in the year March 31, 2010 and it registered a growth of 25.76 percent for the year ended March 31, 2010 which is the highest growth rate in the last seven years. Passenger vehicle production crossed two million units, of which Maruti itself produced one million cars, while two – wheeler production crossed 10 million – unit mark. Passenger vehicle sales during 2009-10 grew at 25.57 percent, utility vehicles up by 20.88 percent and MPV's growing by 40.94% in this period. The overall Commercial Vehicle segment was up by 38.31 percent during April 2009-10 as compared to the Corresponding previous year. Two – Wheeler sales were up by 26% and overall exports during April 2009-2010 were up by 17.90%. [Source : Auto Car Professional and SIAM].

The Automobile Production and Domestic Sales trends of last seven years are as follows :

AUTOMOBILE PRODUCTION TRENDS							(Vehicles/Lacs)
Category	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Passenger Vehicles	9.90	12.10	13.09	15.45	17.78	18.39	23.51
Commercial Vehicles	2.75	3.54	3.91	5.20	5.49	4.17	5.67
Three Wheelers	3.56	3.74	4.34	5.56	5.01	4.97	6.19
Two Wheelers	56.23	65.30	76.09	84.67	80.27	84.20	105.13
Grand Total	72.44	84.68	97.44	110.88	108.54	111.72	140.50
% Increase/ (Decrease)		16.90	15.06	13.80	(2.11)	2.93	25.76

[Source : SIAM]

AUTOMOBILE DOMESTIC SALES TRENDS							(Vehicles/Lacs)
Category	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Passenger Vehicles	9.02	10.62	11.43	13.80	15.50	15.53	19.50
Commercial Vehicles	2.60	3.18	3.51	4.68	4.90	3.84	5.31
Three Wheelers	2.84	3.08	3.60	4.04	3.65	3.50	4.40
Two Wheelers	53.64	62.10	70.52	78.72	72.49	74.38	93.71
Grand Total	68.11	78.98	89.06	101.24	96.54	97.24	122.93
% Increase/ (Decrease)		15.96	12.77	13.67	(4.64)	0.72	26.41

[Source : SIAM]

Lumax Auto Technologies Ltd.

The main Growth Drivers of Indian Automobile Market and India's Position in World's Production of Automobiles.

Main Growth Drivers	India's Position
<ul style="list-style-type: none"> • Rising Industrial and Agricultural output • Rising per Capita Income • Favourable demographic distribution with rising working population and middle class Urbanisation. • Increasing disposable incomes in Rural Agri-sector • Availability of a variety of vehicle models meeting diverse needs and preferences • Greater affordability of vehicles • Easy Finance Schemes • Favourable Government Policies • Robust production 	<ul style="list-style-type: none"> • Well-developed, globally competitive auto ancillary industry • Established automobile testing and R&D centres • Among one of the lowest cost producers of steel in the world • World's second largest manufacturer of two wheeler • Fifth largest manufacturer of commercial vehicles • Largest manufacturers of tractors in the world • Fourth largest passenger car market in Asia • India is the second largest two-wheeler market in the world • 11th largest passenger car market in the world • Expected to be the seventh largest auto industry by 2016

AUTO COMPONENT INDUSTRY

India's automotive component industry manufactures the entire range of parts required by the domestic automobile industry. Auto component manufacturers supply to two kinds of buyers – Original Equipment Manufacturers (OEM) and the replacement market. The replacement market is characterized by the presence of several small-scale suppliers who score over the organised players in terms of excise duty exemptions and lower overheads. The demand from the OEM market, on the other hand, is dependent on the demand for new vehicles.

Auto components manufacturers have been slowly gaining global recognition and maintaining a certain level of exports despite the recent downturn. This would require three pronged marketing strategy : exports through OEMs for their global sourcing requirements, export to Tier I manufacturers as a part of their international supply chain and direct exports to aftermarket. The main challenges are lower volume – low scale, fragmentation, inadequate Research and Development and Technology support, lower productivity levels, limited resources for international marketing and establishment of an efficient supply chain.

b) OPPORTUNITIES & THREATS

Original Equipment Manufacturers (OEMs) have also taken into cognizance the humungous opportunity in small car sub segment. Four out of the six launches in 2009 falls in small car sub – segment, which includes Tata Nano, Maruti Ritz, Fiat Punto and Honda Jazz. Only Tata Manza and Chevrolet Cruze fall in the mid size sub segment and eight more launches are expected in the small car sub segment in the next 15-18 months.

Global Auto majors have acknowledged India as the potential hub for the small car production, given the advantage of abundant low- cost labour, local availability of steel, aluminium and natural rubber as well as strong ancillary industry in addition to the 100 percent Foreign Direct Investment allowed in the Sector. Volkswagen, General Motors and Ford have big plans for India, specially in the small car sub segment, NISSAN, the seventh-largest Passenger Vehicle manufacturer will be the latest entrant into Indian market.

Additionally, the Foreign Auto majors have either invested or are investing in setting up Research and Development (R&D) centres in India to support their manufacturing activities. While Maruti Suzuki, General Motors, Hyundai and Mercedes – Benz already have R&D centres in India, Fiat and Volkswagen are planning to set up ones here. This indicates the seriousness of their plans to make India as the epicenter to manufacture small cars. This in fact carves out a long term path towards placing India at the Centre stage of the Global Passenger Vehicle Industry.

The focus of the global auto majors on India as their small car hub corroborated with domestic players like Tata Motors and Maruti Suzuki enhancing their small car capacities would drive Passenger Vehicle exports. According to CARE Research Passenger Vehicle exports to augment at a strong CAGR of 22 percent from 335,739 units in FY- 2008-09 to 909,000 in FY 2013-14. [Source : Excerpt from the Report prepared by CARE Research as published in Auto Monitor.]

Your Company is well placed with having six existing plants with huge manufacturing capacities to cater the growing demand in the auto component space.

The growing opportunity in the Indian Auto Industry with the emergence of foreign auto majors, the Indian Auto Component Industry has also to face challenges in the form of increase in Warranty Claims, Product Liability Claims, Talent Crunch. The other challenges being faced by the Auto Component Industry is presence of counterfeit components, pressure from OEMs to reduce prices, volatile environment, volatile interest rate movements and competition.

Your Company propose to convert the opportunities into growth of the Company by focusing in Product Quality, Design, cost reduction measures, appropriate automation leading to economic production costs and consistent quality product, strengthening I.T capability for Design, Development and Simulation, process improvements, quality up-gradations, increase market share by diversifying existing customer base with the addition of new strategic customers and enhancing the existing relationship.

c) PRODUCT WISE PERFORMANCE

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

		Rupees in Lacs
S.No.	Product	Turnover
1	Chassis	3,703.98
2	Frame Sub Assembly	55.41
3	Head Lamp Assembly	2,434.80
4	Silencer	79.28
5	Lamp Shed Assembly	593.69
6	Rear Assembly/Fender Assembly	578.61
7	Tail Lamp	9.65
8	Blinker	226.21
9	Wind Shield	119.91
10	Revolving Light	63.92
11	Back Seat Frame	33.66
12	Cushion Seat Frame	36.57
13	Other	14767.05
TOTAL		22,702.74

d) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

The company has implemented new ERP system for manufacturing plants to improve the controls and data transparency in the company. The company has successfully switched over to the new ERP system from April, 10 onwards.

e) RISK AND CONCERN

The Company is exposed to external and internal risks associated with the business. The operations of the Company are directly dependent on the Automobile manufacturer's (OEMs) growth and business plans. General economic conditions impact the automotive industry, and in turn, the operations as well. To counter these risks, your company continues to broaden the product portfolio, increase customer profile and geographic reach and also entry into After Market Segment which now constitutes approximately 50% of the total revenue.

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

f) DISCUSSION ON FINANCIAL PERFORMANCE WITH REFERENCE TO OPERATIONAL PERFORMANCE

REVENUE

As your company's business is directly dependent on the Original Equipment Manufacturer(s), consequently, in this background your company achieved Net Sales of Rs. 22,702.74 Lacs for the year ended March 31, 2010 as compared to Rs. 16,126.43 Lacs in the previous year, registering an increase of 41% over the previous year.

PROFITS

Further, your Company has recorded Profit Before Tax of Rs. 876.73 Lacs for the year ended March 31, 2010 as compared to Rs.55.40 Lacs in the previous year, an increase of 1483% over the previous year.

Lumax Auto Technologies Ltd.

DIVIDEND

The Board of Directors had declared an Interim Dividend of Re. 1/- per share. Additionally, considering the Company's performance for the year, your Board recommends a final dividend of Rs. 3.00 per share which shall be subject to approval of the members at the ensuing Annual General Meeting, thus totaling to a Dividend of Rs. 4.00 per Share, as compared to Rs. 1.50 per Share last year.

g) HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company has given emphasis to upgrade the skills of its technical and marketing personnel. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals.

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

During the year under review the Company employed 424 numbers of employees.

CAUTIONARY STATEMENT

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

ANNEXURE - B

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, and forming part of Directors' Report for the year ended 31st March 2010.

A. CONSERVATION OF ENERGY

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

(a) Energy Conservation Measures taken and their impact.

1. At PCNTDA plant, the Company has successfully implemented alternate day working system, in powder coating shop, in order to save electricity cost by Rs.900 per day and Gas Cost at Rs.2,000 per day.
2. At W-28, Waluj, Aurangabad plant, the Company has successfully installed Capacitor Bank due to which, Company received incentive at Rs.1000 p.m. and improvement in Power Factor and resultant reduction in energy cost.
3. At Chakan plant the Company is successfully maintaining Power Factor at 1 through Capacitor Bank at MSED panel due to which the Company is able to save upto Rs.20,000/- p.m.
4. At Bhosari Plant, the Company has installed one new Cooling Tower for metalising section by replacing earlier two Cooling Towers in this respect, resulting better utilization and improved efficiency of the said Cooling Tower and could save electricity cost successfully.
5. At Bhosari Plant, usage frequency of De-Coating Tank with 8 KW Heaters has altered to 3 days in a week instead of 6 days in a week earlier, resulting improved efficiency and reduction in energy consumption, and ultimately saving in energy cost.

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

1. At PCNTDA plant:
 - The Company is in the process of implementation to make use of Natural Gas as source of energy in place of LPG, in Fire Oven(s) at Powder Coating Shop, which would result in increase in efficiency and conservation of energy upto 40%.
 - Also proposed to make use Natural Gas energy in the Motor Generator instead of presently using Diesel fuel, resulting 40% reduction in Energy cost and better utilization of the Motor Generator set.
 - It is proposed to use Overhead Lightings in alternate usage in the second shift, in better utilization and conservation of energy upto 50%, resulting reduction in electricity cost.
2. At A-8 Waluj Plant:
 - It is proposed to install a Capacitor Bank, which would earn 7% incentive on our Energy Bill, resulting in saving of Rs.4.50 Lacs p.m.
3. At Bhosari Plant
 - At Bhosari plant, the Company being in proposal to convert De-Coating tank with Electrical Heating to Solar Heating for improved efficiency and effectiveness with optimum utilization of the solar consumption.

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

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

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

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

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

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

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

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RESEARCH & DEVELOPMENT

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

- Developed Assembly Lines for Tata Aria Seating System for all three rows, for Lear Corporation India Limited.
- Developed Assembly Lines for GM Beat Seating System for Driver Co-driver and Lear Seat.
- New Design and Process Technology Developed for the Development and manufacturing of Chassis, Petrol Tanks, and Muffler of Automobiles, such as, Robotic Assembly Process Developed for the Assembly of Muffler and Chassis.
- Developing Lighting System for Mahindra Naviator

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

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

c) Future Plan of Action

- The Company will be applying to the Ministry of Science and Technology, Department of Scientific and Industrial Research Technology for recognition of In-House Research & Development Unit.
- To upgrade our existing design and development infrastructure.
- To start in-house designing of new generation automotive lamps for Automotive OEMs (located in Pune region).

d) Expenditure on Research & Development

(Amount in Rs.)

(i)	Capital	Nil
(ii)	Recurring	3,391,652
(iii)	Total	3,391,652
(iv)	Total R & D Expenditure as a percentage of Total Turnover	0.15%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Your Company has been continuously striving for opportunities for growth in export business.

(b) Total Foreign Exchange used and earned

- (i) This information is given in Notes on Accounts (Schedule 23) at Sl.No.12 and 17.

ANNEXURE C

Group Coming within the definition of 'Group' as defined in the Monopolies and Restrictive Trade Practices Act, 1969.

The following persons constitute the Group coming within the definition of 'group' as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), which exercises or is established to be in a position to exercise control directly or indirectly, over the Company.

S.No	Name of the Entities forming Group
1	Mr. Dhanesh Kumar Jain
2	Mrs. Usha Jain
3	Mr. Deepak Jain.
4	Mrs. Poysha Goyal Jain
5	Mr. Anmol Jain
6	Mrs. Shivani Jain
7	Sheela Finance Pvt. Ltd
8	D & A Enterprises
9	Mahavir Udyog
10	Tecno Enterprises
11	Nytex Auto
12	Bharat Enterprises
13	D.K Jain Family Trust
14	Deepak Auto Ltd.
15	Lumax Industries Ltd
16	D & A Enterprises Pvt. Ltd
17	Lumax DK Auto Industries Ltd.
18	Lumax Auto Parts Trading Pvt. Ltd
19	Lumax Cornaglia Auto Technologies Pvt. Ltd
20	Lumax Tour & Travels Limited.
21	Backcountry Estates Pvt. Ltd

Lumax Auto Technologies Ltd.

ANNEXURE D

CORPORATE GOVERNANCE REPORT

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

1. COMPANY'S PHILOSOPHY

We believe in establishing a mechanism by which the most effective and efficient values, principles, management policies and procedures of the Company are inculcated. The essence of Corporate Governance for the Company lies in promoting and maintaining integrity, transparency and accountability throughout the organization. It is not only a sine qua non for facing intense competition for sustainable growth in the emerging global business scenario but is also an embodiment of the parameters of fairness, accountability and transparency to maximize value for the stakeholders.

The Board of Directors is at the core of our Corporate Governance Practice, which oversees how the management serves and protects the long term interest of all stakeholders of the Company.

2. BOARD OF DIRECTORS

The policy of the company is to have an appropriate mix of Executive and Non Executive Directors to maintain the independence of the Board, and to separate the Board functions of Management and Governance. The Board consists of 7 Directors comprising of one Executive Director, Six Non-Executive Directors out of which four are Independent Directors. The composition of the Board is in conformity with the requirements of Clause 49 of the Listing Agreement and the details of Directors are as follows:

S. No.	Name of Directors	Category of Directorship	No. of Board Meeting Attended	No. of Directorship in other Companies	No. of Committee Positions held in other Public Companies*		Last AGM Attended	Relationship Interest
					Chair man	Member		
1	Mr. D.K. Jain	Non-Executive Director (Chairman)	5	3	-	1	Yes	Related as Husband to Mrs. Usha Jain and as Father to Mr. Anmol Jain
2	Mrs. Usha Jain	Executive Director (MD)	5	-	-	-	Yes	Related as Wife to Mr. D.K Jain and as Mother to Mr. Anmol Jain
3	Mr. Anmol Jain	Non- Executive Director	5	2	-	-	Yes	Related as Son to Mr. D.K Jain and Mrs. Usha Jain
4	Mr. Manmohan Sachdev	Non- Executive Independent Director	4	-	-	-	No	Not related to any Director.
5	Mr. Sandeep Dinodia	Non- Executive Independent Director	5	2	2	3	Yes	Not related to any Director.
6	Mr. A.V. Alexander	Non- Executive Independent Director	3	-	-	-	No	Not related to any Director.
7	Mr. Dhiraj Dhar Gupta	Non- Executive Independent Director	4	4	-	1	No	Not related to any Director.

*As per amended guidelines, Committee here means Audit Committee and Shareholders/ Investors Grievance Committee and excluding the committee positions in Lumax Auto Technologies.

For the purpose of Membership of Committees, if a Director is categorized as Chairman in the Committee, his position is also considered in

a) Board Meetings and Attendance

The Board of Directors had met five times during the financial year ended 31st March, 2010. The intervening period between two Board Meetings was well within the maximum time gap of 4 months, as prescribed under Code of Corporate Governance. The details of Board Meetings held during the year are as under:

S. No	Date of Board Meeting	Board's Strength	No of Directors Present
1	28.04.09	7	7
2	30.06.09	7	6
3	29.07.09	7	6
4	30.10.09	7	7
5	30.01.10	7	5

b) Board's Processes

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

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

1. Unaudited quarterly/half yearly financial results and audited annual accounts of the Company.
2. Minutes of Meeting of Audit, Shareholders /Grievance and Share Transfer Committee, Remuneration Committee along with the Minutes of the Subsidiary Company.
3. Abstract of circular resolution passed, general notices of interest and sales and /or purchases of investments, fixed assets, if any.
4. Review of compliance of all laws applicable to the Company including the requirement of the Listing Agreement with the Stock Exchange and steps taken by the Company to rectify instances of non compliance, if any.
5. Related Party Transactions, if any.
6. Reviewing the Company's financial and risk management policies.
7. Reviewing the business plan and strategy of the Company.

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

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

3. COMMITTEES OF THE BOARD

Currently, the Board has three Committees:

- (a) Audit Committee,
- (b) Remuneration Committee,
- (c) Share holders /Investors Grievance and Share Transfer Committee.

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

Lumax Auto Technologies Ltd.

A. Audit Committee

a) Composition and Attendance

The Audit Committee comprises of three Non-Executive Independent Directors. The Composition of the Audit Committee is as follows:

S.No.	Name of Directors	Status	Category of Membership
1	Mr. Sandeep Dinodia	Chairman	Non-Executive Independent Director
2	Mr. Manmohan Sachdev	Member	Non-Executive Independent Director
3	Mr. A.V. Alexander	Member	Non-Executive Independent Director

The Audit Committee had met five times during the Financial Year April 1, 2009 to March 31, 2010. The attendances of the meetings are as under :-

S. No	Name of Directors	No. of Meetings attended
1	Mr. Sandeep Dinodia	5
2	Mr. Manmohan Sachdev	4
3	Mr. A.V. Alexander	3

Statutory Auditors, Managing Director, are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee attended the last Annual General Meeting, held on 16-09-2009.

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

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

The Committee has powers as envisaged under Clause 49(II) of the Listing Agreement and as specified by the Board of Directors of the Company and includes the following terms of references:-

b) Powers of Audit Committee

Audit Committee shall have following Powers:-

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

c) Role of Audit Committee

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

5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, if any, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing with the management, performance of the Statutory and Internal Auditors, adequacy of the Internal Control systems.
8. Reviewing the adequacy of Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with Internal Auditors on significant audit findings and follow-up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To Review the functioning of Whistle Blower mechanism, in case the same is existing.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

d) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:-

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

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

B. Remuneration Committee

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

The Remuneration Committee comprises of three Directors as its members. All the members of the Committee are Non-Executive Director and have sound knowledge of management practices.

The Chairman of the Committee, Mr. Sandeep Dinodia is a Non-Executive Independent Director nominated by the Board. The power and role of the Remuneration Committee is as per guidelines set out in the Listing Agreement.

The constitution of the Remuneration Committee as at March 31, 2010 is as follows:

S.No.	Name of Directors	Status	Category of Membership
1	Mr. Sandeep Dinodia	Chairman	Non-Executive Independent Director
2	Mr. D.K. Jain	Member	Non-Executive Director
3	Mr. A.V. Alexander	Member	Non-Executive Independent Director

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No Remuneration Committee meeting was held during the financial year April,1 2009 to March 31,2010.

a) Remuneration Policy:

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

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

b) Details of Remuneration paid to Directors during the accounting year ended March 31, 2010 are as under:

(Amount in Rs.)

Name of Director	Salary	Perquisites & Allowances	Commission	Total
Mrs. Usha Jain	960,000	380,496	3,053,850	4,394,346

c) The number of shares held by Non-Executive Directors in the Company are mentioned below

S. No	Name of Non- Executive Directors	No of shares*	Percentage
1	Mr. D K Jain	1,880,257	16.17%
2	Mr. Anmol Jain	787,240	06.77%
3	Mr. Sandeep Dinodia	-	-
4	Mr. Manmohan Sachdev	-	-
5	Mr. A V Alexander	200	0.001%
6	Mr. Dhiraj Dhar Gupta	-	-

* As on March 31, 2010

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

C. Shareholders / Investors Grievance & Share Transfer Committee

The Company has a Shareholders/Investors Grievance & Share Transfer Committee to oversee Investors Grievances and Redressal mechanism and recommends measures to improve the level of Investors' services and to look into the matters pertaining to share, transfers, duplicate share certificates and related matters. The Committee comprises of three Non Executive Directors, with two of them being Independent Directors. The present composition of the Committee is as under :

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

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

The Quorum for the functioning of the Committee is any two Members present. The Share Transfer Committee meets normally once in a Quarter. The total complaints received and replied to the shareholders during the year ended 31st March, 2010 were 4 only. There were no complaints which were not resolved to the satisfaction of the shareholders and pending during the year.

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

Shareholders/Investors Grievance & Share Transfer Committee Attendance.

S. No.	Name of Directors	No. of Meetings attended
1	Mr. D K Jain	5
2	Mr Sandeep Dinodia	5
3	Mr. Manmohan Sachdev	4

4. COMPLIANCE OFFICER OF THE COMPANY

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

5. GENERAL BODY MEETING

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

Financial Year	Date	Time	Location
2006-07	26-09-07	10.30 A.M.	Panchshil Club, 705, Club Road Moshi, Pune - 412015.
2007-08	13-08-08	4.00 P.M.	Panchshil Club, 705, Club Road Moshi, Pune – 412015
2008-09	16-09-09	3.00 P.M.	Plot No 70, Sector - 10, PCNTDA, Bhosari, Pune - 411026

Special Resolutions passed in previous three General Meetings

(i) AGM held on 26-09-2007 :

- Appointment of Mrs. Usha Jain as Managing Director.
- Amendment of Articles 80 of Articles of Association of the Company.

(ii) AGM held on 13-08-2008 :

- Approval of final utilization of IPO proceeds and project status.

(iii) AGM held on 16-09-2009

- No Special Resolution passed in 28th AGM dated 16-09-2009

(iv) Postal Ballot Resolution Proposed in the Board Meeting dated 30-01-2010 :

- During the year the Company has proposed a Special Resolution under Section 17 of the Companies Act, for alteration in the Object Clause of the Memorandum of Association of the Company through Postal Ballot mechanism. Mrs. Aanchal Jain, Advocate was appointed as Scrutinizer. The Company has followed the procedure as prescribed under the Companies Act, 1956 and The Companies (Passing of Resolution by Postal Ballot), Rules, 2001 for conducting the Postal Ballot process and Mr. D.K. Jain, Chairman, Mr. Anmol Jain, Director, along with Ms. Milita Bhar Company Secretary, were authorised by the Board of Directors to conduct the Postal Ballot Process and were responsible for the entire postal ballot process.

The details of the Special Resolution passed through Postal Ballot are as follows:

Date of Notice	Date of Passing of Resolution	Particulars of the Resolution	% of Votes cast in favour of
30-01-2010	28-04-2010	Resolution under Section 17 of the Companies Act, 1956, for amendments in the Main Object Clause of the Memorandum of Association by inserting one more clause related to the activities of LED Electrical Lightings.	Out of the total Postal Ballots received from 220 members, 219 members gave their assent to the Resolution constituting 99.99% votes to the total number of votes received.

6. CODE OF CONDUCT

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

7. DISCLOSURES

- During 2009-10, other than the transactions entered in the normal course of business and reported as the related party transactions in the annual accounts, the Company had not entered any materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters/ Directors/Senior Management or Relatives etc., which could have a potential conflict with the interest of Company at large.
- The Audit Committee is briefed with all related party transaction undertaken by the Company.
- The Senior Management have made disclosures to Board that they did not have personal interest in any material financial and commercial transactions that could result in a conflict with the interest of the Company at large.
- The Company has a Code of Conduct for its Board and Senior Management (as per Corporate Governance Code) and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.

Lumax Auto Technologies Ltd.

- e. There has been no non-compliance penalties/strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.
- f. The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India, and there has been no deviation in the accounting treatment during the year, except as provided in this report.
- g. The Company does not have any Whistle Blower Policy.
- h. The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement.
- i. The Company has formulated a Code of Conduct for prevention of Insider Trading in the Shares of the Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992.

8. MEANS OF COMMUNICATION

It is the Managements' belief that all Share Holders should have access to complete information regarding Company's position to enable them to accurately access its future potential. The company's website (www.lumaxautotech.com) serves as a key awareness facility for all shareholders, allowing them to access information at their convenience. It provide information of the company's financial performance, business strategy displays latest press releases as required by SEBI and Listing Agreements.

The Annual / Quarterly results were published in National Daily newspapers -The Financial Express (English All Edition) and Loksatta (Pune Edition).

Pursuant to Clause 52 of the Listing Agreement, all data related to quarterly as well as annual financial results, shareholding pattern etc. from December 2009 onwards, are updated on the Corporate Filing and Dissemination System website www.corpfiling.co.in.

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

10. GENERAL SHAREHOLDERS INFORMATION

- a) **Annual General Meeting** : The 29th Annual General Meeting is scheduled as under :

Date : 26th July, 2010
 Time : 3.00 P.M.
 Venue : Plot No.70, Sector 10,
 PCNTDA, Bhosari, Pune,
 Maharashtra - 411026

- b) **Date of Book Closure** : (19-07-2010 to 26-07-2010) (both days inclusive)

- c) **Registered Office** : **LUMAX AUTO TECHNOLOGIES LIMITED**
 W-230- E,"S" Block M.I.D.C
 Bhosari, Pune
 Maharashtra - 411026

- d) **Financial Year** : 1st April to 31st March

- e) **For the year ended March 31, 2010 results were announced on :**

Adoption of Quarterly Results Ended	Date
June 30, 2009	July 29, 2009
September 30, 2009	October 30, 2009
December 31, 2009	January 30, 2010
March 31, 2010 (Audited Annual Accounts)	May 22, 2010

- f) **Financial Calendar for 2010-11 (Provisional) :**

Adoption of Quarterly Results Ended	In the Month of *
June 30, 2010	2nd week of August 2010
September 30, 2010	2nd week of November 2010
December 31, 2010	2nd week of February 2011
March 31, 2011 (Audited Annual Accounts)	4th week of May 2011

*within 45 days of the end of Quarter, as per latest clause 41 of the Listing Agreement.

g) Dividend & Dividend Payment Date:

A dividend of Rs.4.00 per share (40%) (including 10% Interim Dividend already paid) has been recommended by the Board of Directors for the Financial Year 2009-10, which are subject to the approval of the Shareholders at the ensuing Annual General Meeting. For Demat shareholders and Physical shareholders who have opted for ECS, Final Dividend Amount of Rs.3.00 per share will be credited directly to their respective bank accounts through ECS, wherever such facilities are available, soon after the declaration of dividend in the AGM. For others, Dividend Warrants will be posted by August 20, 2010 (tentative date).

h) Share Transfer System:

To expedite the process of Share Transfers, the power for the same has been delegated to Company Secretary and Registrar, who shall attend to the same at least once in a fortnight. Share sent for transfer in physical form, if any, are registered and returned within the maximum period as prescribed by law from the date of receipt, subject to document being valid and complete in all respects. Similarly all request for demat are received and processed by the Registrar and Transfer Agents and confirmations given to the Depositories within the prescribed time limit.

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

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

j) Investors Correspondence:

All queries of Investors regarding the Company's shares in Physical / Demat form may be sent either to the Registrar & Share 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, 66304605
Fax: 91-20-66304624
E-mail: rajubamane@lumaxautotech.com,
shares@lumaxautotech.com
Website: www.lumaxautotech.com

k) Listing on Stock Exchanges:

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

l) ISIN No: INE872H01019 :

Listing Fees for the year 2010-11 has been paid to The Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

m) Listing of GDRs/ADRs/FCCB :

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

n) Dematerialisation of Shares:

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

Lumax Auto Technologies Ltd.

o) Status of Dematerialisation and Liquidity as on 31st March, 2010:

Dematerialisation :

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

Category	No. of Shares
Shares in Demat mode with NSDL	9,697,087
Shares in Demat mode with CDSL	1,805,980
Shares in Physical mode	128,474
Total	11,631,541

Liquidity:

The No of Shares of the Company traded in the Stock Exchange for the financial year 2009-2010 is given below:

Particulars	BSE	NSE	TOTAL
No of shares Traded	3,528,251	4,355,954	7,884,205
% of total Equity	30.33%	37.45%	67.78%

p) Share Holding Pattern of the Company as on March 31, 2010

Category		No. of shares held	%age of shareholding
A.	Promoters' holding		
1.	Promoters		
	a Indian Promoters	6,266,882	53.88
	b Foreign Promoters	-	-
2.	Persons acting in concert	-	-
	SUB -TOTAL (A)	6,266,882	53.88
B.	Non-Promoters Holding		
3.	Institutional Investors		
	a Mutual Funds and UTI	-	-
	b Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions/ Non-Government Institutions.	-	-
	c FIIs	896,926	7.71
	SUB -TOTAL (3)	896,926	7.71
4.	Others:-		
	a Body Corporates	2,046,133	17.59
	b Indian Public	2,175,148	18.70
	c NRIs (Including Foreign Company)	241,252	2.07
	d Any other	5,200	0.05
	SUB -TOTAL(4)	4,467,733	38.41
	SUB -TOTAL(B)(3+4)	5,364,659	46.12
	GRAND TOTAL (A+B)	11,631,541	100.00

q) Distribution of Shareholding as on 31st March, 2010. :

Range of Shares		No. of Shareholders	% of Shareholders	Amount (Rs.)	% of Shareholding
1	5000	4807	89.87	6,120,590	5.26
5001	10000	195	3.64	1,657,710	1.43
10001	20000	126	2.35	2,029,730	1.74
20001	30000	50	0.93	1,277,890	1.10
30001	40000	25	0.47	9,07,100	0.78
40001	50000	26	0.49	1,230,350	1.06
50001	100000	48	0.90	3,656,000	3.14
100001	& above	72	1.35	99,436,040	85.49
Total		5349	100.00	1,16,315,410	100.00

r) Stock Market Data during the Financial Year 2009-10

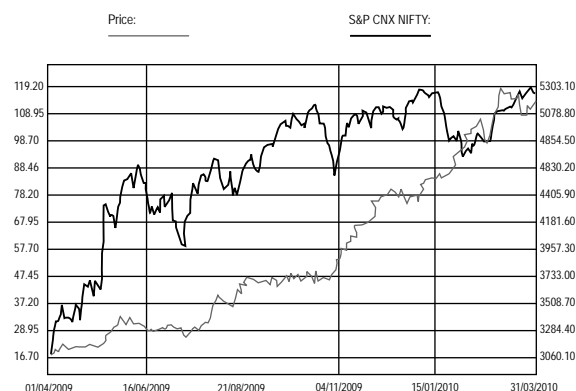
The monthly High and Low Prices of the Shares of the Company Listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) along with the BSE "Sensex" and NSE "Nifty" are as follows:

Month	BSE				NSE			
	Share Price		Sensex Points		Share Price		S&PCNX Nifty Points	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
April 2009	22.40	16.90	11,492.10	9,546.29	21.70	16.75	3,517.25	2,965.70
May 2009	31.35	19.05	14,930.54	11,621.30	31.35	18.75	4,509.40	3,478.70
June 2009	32.90	25.00	15,600.30	14,016.95	32.05	24.85	4,693.20	4,143.25
July 2009	35.50	23.20	15,732.81	13,219.99	34.55	23.60	4,669.75	3,918.75
August 2009	41.85	32.20	16,002.46	14,684.45	41.50	31.60	4,743.75	4,353.45
September 2009	47.00	39.25	17,142.52	15,356.72	46.90	38.05	5,087.60	4,576.60
October 2009	63.10	42.85	17,493.17	15,805.20	62.85	42.40	5,181.95	4,687.50
November 2009	76.80	54.40	17,290.48	15,330.56	76.30	54.00	5,138.00	4,538.50
December 2009	82.10	66.95	17,530.94	16,577.78	82.85	66.05	5,221.85	4,943.95
January 2010	90.00	67.10	17,790.33	15,982.08	90.00	70.00	5,310.85	4,766.00
February 2010	111.45	86.45	16,669.25	15,651.99	112.00	87.25	4,992.00	4,675.40
March 2010	124.00	97.30	17,793.01	16,438.45	128.15	102.55	5,329.55	4,935.35

s) The performance of the Company's Share related to S&P CNX Nifty in graphical manner and Monthly Closing Share Price on BSE and NSE from April 2009 to March 2010 is given below :

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

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



Monthly Closing Share Price on BSE & NSE along with Sensex and Nifty Points (April 2009 to March 2010)

Month	BSE (Rs.)	Sensex	NSE (Rs.)	Nifty
April 2009	20.80	11,403.25	20.40	3473.95
May 2009	31.35	14,625.25	31.35	4448.95
June 2009	28.00	14,764.64	26.60	4291.10
July 2009	33.15	15,331.94	33.90	4636.45
August 2009	40.95	15,922.34	41.00	4662.10
September 2009	43.35	17,126.84	43.25	5083.95
October 2009	56.20	15,896.28	55.50	4711.70
November 2009	74.60	16,926.22	74.80	5032.70
December 2009	70.00	17,343.82	70.10	5201.05
January 2010	82.35	16,357.96	83.10	4882.05
February 2010	104.35	16,429.55	104.15	4922.30
March 2010	113.85	17,527.77	113.25	5249.10

t) Plant Locations of the Company as on 31st March, 2010

- 1) W-230 - E, 'S' Block, M.I.D.C., Bhosari, Pune, Maharashtra.
- 2) Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra.
- 3) Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra.
- 4) Plot No. 54/8, D-II, Block-2, M.I.D.C. Chinchwad, Maharashtra.
- 5) W-28, M.I.D.C., Waluj Industrial Area, Aurangabad, Maharashtra.
- 6) A-8, M.I.D.C., Waluj Industrial Area, Aurangabad, Maharashtra.
- 7) B-86, Mayapuri Industrial Area, Phase-I, New Delhi. (Marketing, Export and LED Infrastructure Division)
- 8) At Khasra No.817/73, Mauza-Moginand, Kala Amb, Tehsil - Nahan, District-Sirmour, Himachal Pradesh.
- 9) Plot No.165, Sector-5, IMT Manesar, Gurgaon, Haryana. (Trading Division)

Lumax Auto Technologies Ltd.

u) Shares issued during IPO which are unclaimed and lying in Demat Suspense Account.

The details pertaining to the shares issued during the IPO in the year January 2007 and which are unclaimed and lying in the Demat Suspense Account as per information received from the Registrar are as follows:

S. No	Description	No of Shareholders	No of Shares
1	Aggregate No. of shareholders & Shares pending as on 01.04.2009	5	1123
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, 2010.	5	1123

The voting rights on the 1123 shares shall remain frozen till the rightful owner of such shares claims the shares

11. Non-Mandatory requirements

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

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

12. CEO & CFO CERTIFICATE

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

13. OTHER INFORMATION

Electronic Clearing Service (ECS)

SEBI had vide its Circular No.DCC/FITTCIR-3/2001 dated October 15, 2001 advised that all Companies should mandatory use ECS facility wherever available. In the absence of ECS facility, companies may use warrants for distributing the dividends and vide its Circular No.D&CC/FITTCIR-04/2001 dated November 13, 2001 had advised companies to mandatorily print the Bank Account details furnished by the Depositories, on the dividend warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. However, members who wish to receive dividend in an account other than the one specified while opening the Depository Account, may notify their DPs about any change in the Bank Account details.

Nomination Facility

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

CEO & CFO Certification Under Clause 41 & 49(V) of the Listing Agreement to be placed before the Board along with Audited Annual Accounts for the year ended 31st March 2010.

- a. We certify to the Board that we have reviewed Financial Statements and Cash Flow Statement for the year ended 31st March 2010 and that to the best of our knowledge and belief;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
- d. We have indicated to the Auditors and the Audit Committee
- (i) Significant changes in internal control over financial reporting during the year, if any;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any;
- (iii) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place : Gurgaon
Date : May 22, 2010

ASHISH DUBEY
(HEAD FINANCE)

USHA JAIN
(MANAGING DIRECTOR)

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

I Usha 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 FY-2009-10.

Place : Gurgaon
Date : May 22, 2010

USHA JAIN
(MANAGING DIRECTOR)

Auditors' Certificate on Corporate Governance

To

The Member of
THE LUMAX AUTO TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Lumax Auto Technologies Limited, for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

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

For D.R. Barve & Co
Chartered Accountants
Registration No. 101034W
C A D.R. Barve
Proprietor
Membership No.:17661

Place : Pune
Date : June 26, 2010

Lumax Auto Technologies Ltd.

Auditors' Report On Accounts **To,** **The Members of Lumax Auto Technologies Limited**

1. We have audited the attached Balance Sheet of Lumax Auto Technologies Limited as at 31st March, 2010, & also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed there to.

These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said order.

4. Further to our comments in the Annexure referred to above, we report that;

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books;
- iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of these directors of the company is disqualified as on 31st

March, 2010 from being appointed as a director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

vi) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with other notes appearing in schedule "23" and their impact on Profit & Loss Account, Cash Flow Statement and Balance Sheet give the information required by the Companies Act, 1956, in the manner so required to give a true & fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010.
- b) in the case of the Profit & Loss Account, of the **Profit** for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

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

CA. D. R. Barve
(Proprietor)
Place : Pune
Date : May 22, 2010 **Membership No. 17661**

Annexure To Auditors' Report

Annexure referred to in paragraph 3 of our report of even date
Re: Lumax Auto Technologies Limited

- i) (a) The company is in the process of maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) We have been informed that the fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that no substantial part of fixed assets have been disposed off during the year and hence our comments regarding the effect on going concern principle are not required.
- ii) (a) As informed to us, physical verification of inventory of the company has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the explanations given to us, the procedures of physical verification of

- inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the explanations given to us, the company is maintaining proper records of inventory. We have been informed that no material discrepancies have been noticed on physical verification of inventory as compared to book records.
- iii) (a) According to the information and explanations given to us, the company has granted unsecured loan to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,033.58 Lacs and the year-end balance of the said loan was Rs. 3.58 Lacs.
- (b) According to the information and explanations given to us, the said loan is interest free. However, the other terms and conditions of loan given are not prima facie prejudicial to the interest of the Company.
- (c) There is no stipulation as to the time period for recovery of principal amount of unsecured loans given.
- (d) Further, as there is no stipulation as to the time period for recovery of principal amount of unsecured loans given, we are also unable to comment on the overdue amount in respect of the said loan.
- (e) During the year the Company has not taken any loans, secured or unsecured from parties covered in the Register maintained u/s 301 of the Companies Act 1956.
- iv) In our opinion and according to the explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the of the Companies Act, 1956 have been so entered in the register required to be maintained under that section; and
- (b) According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the company has not accepted deposits from the public during the year under report.
- vii) In our opinion, the Internal Audit System of the company is commensurate with it's size and nature of its business
- viii) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. However, we have not made detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) (a) According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, investors' education & protection fund, employees' state insurance, income tax, wealth tax, sales tax, service tax, custom duty, excise duty, cess or any other statutory dues with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investors' education and protection fund, employees' state insurance, income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess and any other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no disputed amounts payable in respect of provident fund, investors' education and protection fund, employees' state insurance, income tax, wealth tax, service tax, sales tax, customs duty, excise duty or cess, by the company except following:
- | Name of the statute | Nature of dues | Amount (Rs. in Lacs) | Period to which amount relates | Forum where dispute is pending |
|----------------------|----------------|----------------------|--------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income Tax | 152.62 | F.Y. 2006-07 | C.I.T. Appeals |
- x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- xi) As informed to us, the company has not defaulted in repayment of dues to financial institutions, banks.
- xii) As informed to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.

Lumax Auto Technologies Ltd.

- xiii) In our opinion the company is not a chit-fund, nidhi or mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xv) As informed to us, the company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prima facie prejudicial to the interest of the company.
- xvi) As informed to us, the proceeds of the loans taken by the company are applied for the purpose for which the loans were obtained.
- xvii) In our opinion and according to the explanations given to us, the funds raised by the company on short term basis have not been used for long-term investment.
- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) The company did not have any outstanding debentures at the end of the year.
- xx) The company has not issued any shares during the year under report.
- xxi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

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

Place : Pune
Date : May 22, 2010

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



AUTO TECHNOLOGIES

Balance Sheet as at March 31, 2010

(Amount in Rs.)

Particulars	Schedules	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	116,315,410	116,315,410
Reserves & Surplus	2	272,831,623	252,222,336
		<u>389,147,033</u>	<u>368,537,746</u>
Loan Funds			
Secured Loans	3	34,939,189	140,605,233
Unsecured Loans	4	12,889,588	12,889,588
		<u>47,828,777</u>	<u>153,494,821</u>
Deferred Tax Liability (Net)	5	26,107,000	22,018,000
Total		<u>463,082,810</u>	<u>544,050,567</u>
APPLICATION OF FUNDS			
Fixed Assets	6		
Gross Block		498,191,838	465,642,159
Less : Accumulated Depreciation/ Amortisation		143,060,815	116,136,038
Net Block		355,131,023	349,506,121
Capital Work In Progress including capital advances		1,654,923	5,098,713
		<u>356,785,946</u>	<u>354,604,834</u>
Investments	7	39,194,720	39,194,720
Current Assets, Loans & Advances			
Inventories	8	95,250,740	157,679,527
Sundry Debtors	9	397,178,207	183,407,128
Cash and Bank balances	10	59,512,716	26,764,263
Other Current Assets	11	2,468,661	1,804,650
Loans & Advances	12	60,216,645	161,687,215
		<u>614,626,969</u>	<u>531,342,783</u>
Less : Current Liabilities & Provisions			
Current Liabilities	13	506,770,380	360,369,288
Provisions	14	40,754,445	20,722,482
		<u>547,524,825</u>	<u>381,091,770</u>
Net Current Assets		67,102,144	150,251,013
Total		<u>463,082,810</u>	<u>544,050,567</u>

Notes to Accounts

23

The Schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

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

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

Profit & Loss Account for the Year Ended March 31, 2010

(Amount in Rs.)

Particulars	Schedules	Year ended 31.03.2010	Year ended 31.03.2009
INCOME			
Turnover (Gross)	15	2,368,758,114	1,746,588,115
Less : Excise Duty		98,484,159	133,945,400
Turnover (Net)		2,270,273,955	1,612,642,715
Other Income	16	31,953,436	6,067,570
Total		2,302,227,391	1,618,710,285
EXPENDITURE			
Purchase of Trading goods		1,145,325,763	809,378,241
Material Consumed	17	657,658,381	482,718,437
Decrease/(Increase) In Inventories	18	17,852,192	(8,490,838)
Manufacturing Expenses	19	126,106,503	103,529,130
Personnel Expenses	20	104,858,794	91,627,571
Administrative Expenses	21	122,075,868	100,080,860
Financial Expenses	22	13,609,811	13,982,628
Depreciation / Amortisation		27,067,534	20,344,632
Total		2,214,554,846	1,613,170,661
Profit Before Tax		87,672,545	5,539,624
Less: Provision for Taxation			
Earlier Year's Tax		35,000	-
Current Tax		15,800,000	837,000
Deferred Tax		4,089,000	(2,074,000)
Fringe Benefit Tax		-	1,060,000
Net Profit		67,748,545	5,716,624
Balance brought forward from Previous Year		6,931,546	22,171,547
Prior period adjustments		-	(244,143)
Profit available for Appropriation		74,680,091	27,644,028
Appropriations :			
Interim Dividend		11,631,653	-
Proposed Dividend		34,894,623	17,447,312
Tax on Dividend [Net]		2,871,982	2,965,170
Transfer to General Reserve		6,775,000	300,000
Surplus carried to Balance Sheet		18,506,833	6,931,546
Net Profit		67,748,545	5,716,624
Earning per Share			
Basic & Diluted {Nominal value of shares of Rs.10 (Previous year : Rs.10)}		5.82	0.49

Notes to Accounts

23

The Schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

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

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Cash Flow Statement for the period April 1, 2009 to March 31, 2010

(Amount in Rs.)

Particulars	2009- 10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit Before Tax	87,672,545	5,539,624
Adjustments For :		
Depreciation & Amortisation of Assets	27,067,534	20,344,632
Loss/(Profit) on Sale of Fixed Assets	2,209,758	63,315
Dividend & Interest Income	(29,941,865)	(1,012,801)
Interest Expense	13,609,811	13,982,628
Operating Profit Before Working Capital Changes	100,617,783	38,917,398
Adjustments For :		
Inventories	62,428,787	(5,426,372)
Trade & other receivables	(213,771,079)	32,453,812
Trade & other payables	146,560,090	(22,707,400)
Other Loans & Advances (Net)	103,806,559	4,387,549
Cash Generated From Operations	199,642,140	47,624,987
Direct Taxes Paid	(19,080,739)	(9,506,677)
Net Cash From Operating Activities (A)	180,561,401	38,118,310
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(50,278,416)	(108,949,594)
Proceeds From Sale of Fixed Assets	15,376,222	31,055,743
Purchase of Investment	-	(12,524,000)
Dividend & Interest Received	29,941,865	1,012,801
Decrease / (Increase) In Capital W.I.P.	3,443,790	61,685,460
Net Cash From Investing Activities (B)	(1,516,539)	(27,719,590)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase/(Decrease) In Borrowings	(105,666,044)	362,377
Interest Paid	(13,609,811)	(13,982,628)
Dividend Paid	(29,237,963)	(17,447,312)
Received / Expended During the Year	2,259,000	(243,260)
Tax on Distributed Profits	(41,591)	(2,965,170)
Net Cash From Financing Activities (C)	(146,296,409)	(34,275,993)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	32,748,453	(23,877,273)
Cash & Cash Equivalents at the Beginning of the Year	26,764,263	50,641,536
Cash & Cash Equivalents at the end of the year	59,512,716	26,764,263

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

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

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

Schedules to the Accounts

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule "1" Share Capital		
Authorised		
15,000,000 (Previous year 15,000,000) Equity Shares of Rs.10/- each	<u>150,000,000</u>	<u>150,000,000</u>
Issued, Subscribed & Paid Up :		
11,631,541(Previous year 11,631,541) Equity Shares of Rs. 10/- each fully paid up.	<u>116,315,410</u>	<u>116,315,410</u>
Out of above :		
i) 319,297 (Previous year 319,297) Equity Shares were issued as fully paid up shares by capitalising the reserves.		
ii) 1,272,222 (Previous year 1,272,222) Equity Shares have been issued for consideration received otherwise than in Cash.		
iii) 1,400,170 (Previous year 1,400,170) Equity Shares were issued by way of conversion of Debentures.		
Schedule "2" Reserves & Surplus		
Securities Premium Account		
Balance as per last Balance Sheet	234,208,790	234,452,050
Add: Share Issue/ Preliminary Expenses / Refund of Security Deposits	2,259,000	-
Less: Share Issue/ Preliminary Expenses	-	243,260
	<u>236,467,790</u>	<u>234,208,790</u>
General Reserve		
Balance as per last Balance Sheet	11,082,000	10,782,000
Add : Transferred from Profit & Loss Account	6,775,000	300,000
	<u>17,857,000</u>	<u>11,082,000</u>
Profit and Loss Account		
Transferred from Profit & Loss Account	<u>18,506,833</u>	<u>6,931,546</u>
	<u>272,831,623</u>	<u>252,222,336</u>
Schedule "3" Secured Loans		
Loans and Advances from Banks		
- Term Loans	34,199,806	52,814,715
- Cash Credit Facilities	-	86,353,865
Hire Purchase Loans		
- From Banks	118,221	367,735
- From Body Corporate	621,162	1,068,918
	<u>34,939,189</u>	<u>140,605,233</u>

Notes:-

- 1) Term Loans from Corporation Bank (Previous Year from The Royal Bank of Scotland NV) are Secured against mortgage of Land, Building, Hypothecation of Plant and Machinery.
- 2) Cash Credit facilities from Corporation Bank (Previous Year from The Royal Bank of Scotland NV) is secured against Hypothecation of Inventories & Book debts.
- 3) Hire purchase loans from Banks and from Body Corporate are secured by way of hypothecation of the respective vehicles acquired out of the proceeds thereof.
- 4) Amount due within one year:-
 - Term Loans Rs. 19,680,806/- (Previous Year Rs.21,615,140/-)
 - Hire Purchase Loans from Bank Rs. 118,221/- (Previous Year Rs. 249,514/-)
 - Hire Purchase Loans from Body Corporate Rs. 497,497/- (Previous Year Rs.447,756/-)

Schedules to the Accounts

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule "4" Unsecured Loans		
Deferral Payment of Sales Tax	12,050,000	12,050,000
Loan from others	839,588	839,588
	12,889,588	12,889,588
Schedule "5" Deferred Tax Liability		
Balance as per last Balance Sheet	22,018,000	24,092,000
Add/(Less): Transferred from P&L Account	4,089,000	(2,074,000)
	26,107,000	22,018,000

Schedule "6" Fixed Assets

(Amount in Rs.)

Name of the Assets	GROSS BLOCK					DEPRECIATION/AMORTIZATION				NET BLOCK	
	As at 01.04.2009	Additions	Sales/ Adjustments	Adjustments Amortisation	As at 31.03.2010	Upto 01.04.2009	For the year	Adjustments	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
TANGIBLE ASSETS											
Free Hold Land	761,200	18,049,139	-	-	18,810,339	-	-	-	-	18,810,339	761,200
Lease Hold Land	53,862,627	12,500	-	-	53,875,127	310,019	298,177	-	608,196	53,266,931	53,552,608
Buildings	87,374,314	-	-	-	87,374,314	15,450,417	2,917,192	-	18,367,609	69,006,705	71,923,897
Plant & Machinery	293,679,638	22,193,845	(17,724,515)	-	298,148,968	87,681,235	20,137,886	(142,757)	107,676,364	190,472,604	205,998,402
Furniture & Fixtures	9,347,175	233,742	-	-	9,580,917	4,830,922	523,488	-	5,354,410	4,226,507	4,516,253
Vehicles	7,783,281	-	-	-	7,783,281	3,210,187	652,673	-	3,862,860	3,920,421	4,573,094
Computers	6,377,004	1,662,306	(4,222)	-	8,035,088	4,110,261	628,734	-	4,738,995	3,296,093	2,266,743
Total Tangible Assets	459,185,239	42,151,533	(17,728,737)	-	483,608,035	115,593,041	25,158,150	(142,757)	140,608,434	342,999,601	343,592,198
INTANGIBLE ASSETS											
Computer Software	672,970	2,046,014			2,718,984	362,248	236,254		598,502	2,120,482	310,722
Technical Know how	5,783,950	6,080,870			11,864,820	180,749	1,673,130		1,853,879	10,010,941	5,603,201
Total Intangible Assets	6,456,920	8,126,884	-	-	14,583,804	542,997	1,909,384	-	2,452,381	12,131,423	5,913,923
Grand Total	465,642,159	50,278,416	(17,728,737)	-	498,191,838	116,136,038	27,067,534	(142,757)	143,060,815	355,131,023	349,506,121
Total Previous Year	388,672,831	108,949,593	(31,980,267)	-	465,642,159	96,785,504	20,344,632	(994,098)	116,136,038	349,506,121	291,887,327

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule "7" Investments		
Unquoted-Long Term		
20 (Previous year 20) Equity Shares of Rs.50/- each fully paid-up of Rupee Co-operative Bank Ltd.	1,000	1,000
In Subsidiary Company		
4,240,313 (Previous year 4,240,313) Equity Shares of Rs. 10/- each fully paid up of Lumax DK Auto Industries Ltd. (Acquired in Consideration of issue of 1,272,222 (Previous year 1,272,222) Equity Shares of Rs. 10/- each fully paid up)	12,722,220	12,722,220

Lumax Auto Technologies Ltd.

Schedules to the Accounts

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule 7 (contd.)		
In Joint Venture Company		
2,647,150 (Previous year 2,647,150) Equity Shares of Rs. 10/- Each fully paid up of Lumax Cornaglia Auto Technologies Pvt. Ltd.	26,471,500	26,471,500
	<u>39,194,720</u>	<u>39,194,720</u>
Schedule "8" Inventories		
Stock In Trade (As taken, valued & certified by the Management)		
Raw Material & Components	44,768,718	88,925,399
Consumables	1,487,423	2,053,313
Packing Material	387,151	241,175
Finished Goods	40,618,573	60,745,310
Work In Progress	5,749,167	5,446,466
Stock In Transit	2,239,708	267,864
	<u>95,250,740</u>	<u>157,679,527</u>
Schedule "9" Sundry Debtors		
Debts outstanding for a period exceeding six months		
Unsecured, considered good	10,019,002	15,908,767
Unsecured, considered doubtful	2,865,171	-
Other debts	387,159,203	167,498,361
Less: Provision for doubtful debts	2,865,169	-
	<u>397,178,207</u>	<u>183,407,128</u>
Schedule "10" Cash and Bank balances		
Cash on Hand	486,773	427,883
Balance with Scheduled Banks		
a) On Current Accounts	49,397,445	17,067,591
b) On Fixed Deposit Accounts	9,628,498	9,268,789
	<u>59,512,716</u>	<u>26,764,263</u>
Schedule "11" Other Current Assets		
Interest Receivable on Fixed Deposits	2,468,661	1,804,650
Schedule "12" Loans and Advances		
Unsecured, Considered good		
Advances to Subsidiary Company	358,288	103,358,288
Advances recoverable in cash or kind for value to be received	31,298,728	29,845,108
Security Deposits	28,559,629	28,483,819
Unsecured Considered doubtful		
Advances recoverable in cash or kind for value to be received	4,092,285	-
Security Deposits	500,000	-
Less: Provision for doubtful loans and advances	4,592,285	-
	<u>60,216,645</u>	<u>161,687,215</u>
Schedule "13" Current Liabilities :-		
Sundry Creditors		
a) Micro, Small & Medium Enterprises	1,259,847	32,829
b) Others	427,065,997	304,088,502
Outstanding Expenses	42,930,602	29,224,170

Schedules to the Accounts

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule 13 (contd.)		
Advances received from customers	35,458,710	26,809,565
Unclaimed dividend	55,224	214,222
	<u>506,770,380</u>	<u>360,369,288</u>

Schedule "14" Provisions

Taxation	64,261	-
Fringe Benefit Tax	-	310,000
Proposed Dividend	34,894,623	17,447,312
Tax on Proposed Dividend	5,795,561	2,965,170
	<u>40,754,445</u>	<u>20,722,482</u>

Schedules to the Accounts

(Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
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Schedule "15" Turnover

Turnover (Gross)	<u>2,368,758,114</u>	<u>1,746,588,115</u>
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Schedule "16" Other Income

Dividend received from subsidiary company	28,834,129	-
Interest Received	1,107,736	1,012,801
(T.D.S. Rs.105,654/- Previous year Rs.118,330/-)		
Discount Received	730,739	225,001
Foreign Exchange Gain	-	1,937,702
Miscellaneous balance written back	28,018	1,048,622
Miscellaneous Income	1,252,814	1,843,444
	<u>31,953,436</u>	<u>6,067,570</u>

Schedule "17" Material Consumed

Opening Stock of Raw Material	88,925,399	91,607,749
Add : Purchases during the year	<u>613,501,700</u>	<u>480,036,087</u>
	<u>702,427,099</u>	<u>571,643,836</u>
Less : Closing Stock of Raw Material	<u>44,768,718</u>	<u>88,925,399</u>
	<u>657,658,381</u>	<u>482,718,437</u>

Schedule "18" Decrease/(Increase) In Inventories

Closing Inventories :

Work in Progress	5,749,167	5,446,466
Stock in Transit	2,239,708	267,864
Finished Goods	40,618,573	60,745,310
	<u>48,607,448</u>	<u>66,459,640</u>

Opening Inventories :

Work in Progress	5,446,466	5,867,990
Stock in Transit	267,864	231,218
Finished Goods	60,745,310	51,869,594
	<u>66,459,640</u>	<u>57,968,802</u>
Decrease/(Increase) In Inventories	<u>17,852,192</u>	<u>(8,490,838)</u>

Lumax Auto Technologies Ltd.

Schedules to the Accounts

(Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Schedule "19" Manufacturing Expenses		
Miscellaneous Manufacturing Expenses	3,774,356	788,136
Packing Material consumed	11,957,083	5,272,583
Consumables	36,483,446	36,936,939
Job-Work	24,557,953	21,186,482
Labour Charges (Contract)	22,263,796	18,956,929
Electricity, Light & Power	15,618,156	13,026,882
Freight and Cartage	9,016,357	5,228,848
Water Charges	578,205	446,692
Difference of excise on opening and closing stock	159,631	-
Repairs & Maintenance - Plant & Machinery	1,697,520	1,685,639
	<u>126,106,503</u>	<u>103,529,130</u>
Schedule "20" Personnel Expenses		
Wages & Salaries	84,833,731	73,380,656
Bonus	3,421,730	5,271,755
Provident Fund Contribution	5,201,951	4,951,400
Welfare Expenses	4,792,161	3,206,797
E.S.I. Contribution	371,210	408,017
Gratuity/Group Gratuity	2,224,161	3,528,946
Directors' Remuneration (Refer Note No. 14 of Schedule 23)	960,000	880,000
Commission to Director	3,053,850	-
	<u>104,858,794</u>	<u>91,627,571</u>
Schedule "21" Administrative Expenses		
Rent, Rates & Taxes	3,876,346	3,458,966
Repairs to Buildings	197,547	192,779
Repairs Others	1,793,069	1,266,195
Insurance Charges	1,004,927	803,494
Travelling & Conveyance	6,296,456	5,845,859
Security Charges	2,528,416	2,060,118
Printing & Stationery	1,272,619	1,180,135
Postage & Telephones	2,232,052	3,007,655
Office Expenses	257,100	155,035
Advertisement	216,990	622,371
Profession Tax	2,500	2,500
Vehicle Expenses	1,380,673	1,375,622
Legal & Professional Fees	3,697,210	2,130,938
Carriage Outward	40,320,686	29,128,148
Miscellaneous Expenses	7,033,328	6,469,407
Meeting Fees	61,000	64,500
Breakage & Sales Incentive	27,334,717	23,374,375
Discounts	10,083,077	8,046,349
Commission to Selling Agent	1,454,032	1,437,093
Bad & doubtful debts/advances written off	294,360	9,344,404
Royalty	544,092	51,602
Loss on sales of assets	2,209,758	63,315
Foreign exchange loss	527,459	-
Provision for doubtful debts/advances	7,457,454	-
	<u>122,075,868</u>	<u>100,080,860</u>
Schedule "22" Financial Expenses		
Interest on Term Loans	4,447,441	1,844,772
Interest on Working Capital Advance	6,964,594	8,914,006
Interest paid to others	402,850	715,112
Bank Charges	1,794,926	2,508,738
	<u>13,609,811</u>	<u>13,982,628</u>

Schedule “23” : Notes To Accounts

1. Significant Accounting Policies:

A) Basis of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company. The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

B) Fixed Assets :

Fixed Assets are stated at Cost Net of CENVAT, Cess, Deferred Excise Duty and VAT set-off less accumulated depreciation. Cost includes purchase cost together with inward freight, duties, taxes and incidental cost of acquisition and installation and eligible borrowing costs and also includes pre-operative expenses incurred during the construction, trial and stabilization period, up to the period such assets are put to commercial use.

C) Depreciation:

Depreciation on Fixed Assets is provided on Straight Line Method at the rates as provided under schedule XIV to the Companies Act, 1956.

D) Intangible Assets and Amortisation:

Intangible assets are recognised as per the criteria specified in Accounting Standard (AS) 26 “Intangible Assets” issued by the Institute of Chartered Accountants of India and are amortised as follows:

- (a) Leasehold Land: over the period of lease
- (b) Specialised Software: Over the Estimated Economic useful life.
- (c) Technical Knowhow: Over a period of Technical assistance agreement i.e. 8 years.

E) Investments:

- a) Current Investments are valued at cost or market price whichever is lower.
- b) Long Term Investments are valued at cost less permanent diminution, if any.

F) Inventories:

- a) Raw Materials including components, consumables & packing material are valued at cost after making provision for obsolescence wherever necessary. Cost is determined on First-in-First-Out (FIFO) basis.
- b) Work in Progress is valued at estimated Cost.
- c) Goods purchased for resale & other finished goods are valued at lower of the cost or net realizable value.
- d) Scrap is valued at estimated realizable value.

G) Revenue Recognition:

- a) Sale of goods is recorded when supply of goods takes place in accordance with the terms of Sale. It includes Excise Duty but excludes trade discount and Sales Tax.
- b) Interest income is recognized on accrual basis.
- c) Revenue from Logistics activity is recognized on the basis of contract entered into by the company on accrual basis.
- d) Dividend is recorded when the right to receive payment is established by the company.

H) Employees' Retirement Benefits:

- a) The Company's contribution to Provident Fund is charged to Profit & Loss Account.
- b) The Company's contribution to Gratuity Fund of Life Insurance Corporation of India is provided on the basis of scheme subscribed by the Company and the same is charged to Profit & Loss Account.
- c) The Company provides for the leave with pay subject to certain rules. The employees are entitled to accumulate leave for future encashment subject to certain limits. The liability is provided based on the number of days of unutilised leave at balance sheet date on the basis of an independent actuarial valuation.

I) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of assets. All other borrowing costs are recognized as expense in the year in which they are incurred.

J) Cash Flow Statement :

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

Lumax Auto Technologies Ltd.

K) Taxes On Income:

- Income Tax expenses for the period comprise of Current Tax and Deferred Tax .
- Current Tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.
- Deferred Tax is recognized, on the timing differences, being the difference between accounting income and taxable income, which originates in one period and are capable of reversal in one or more subsequent accounting periods in accordance with provisions of Accounting Standard 22 on "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. Deferred Tax Asset in respect of brought forward losses is recognized only if there is virtual certainty that there will be sufficient future taxable income against which such asset can be realized.

L) Translation of Foreign Currency items

- Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.
- Monetary items denominated in foreign currency are reported using the closing exchange rate on each Balance Sheet date.

M) Segment Reporting

The Company has considered 'Business Segment' as the primary segment for disclosure. Further, since the company is engaged in the manufacturing of "Automotive Parts", in the opinion of the Management, the Company operates in one primary segment only.

N) Accounting for Interests in Joint Ventures:

Interest in Joint Venture is accounted as follows:

Type of Joint Venture	Accounting treatment
Jointly Controlled Entities	<ol style="list-style-type: none"> Income on investments in incorporated Jointly Controlled Entities is recognised when the right to receive the same is established. Investment in such Joint Ventures is carried at cost after providing for any permanent diminution in value.

O) Provisions and Contingent Liabilities:

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- The Company has a present obligation as a result of a past event,
- A probable outflow of resources is expected to settle the obligation; and
- The amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

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

2. Contingent Liabilities not provided for :

(Rs. in Lacs)

S. No.	Particulars	2009-10	2008-09
i)	For Income Tax demand Assessment Year 2002-03	Nil	0.40
ii)	For Income Tax demand Assessment Year 2006-07	Nil	0.31
iii)	For Income Tax demand Assessment Year 2007-08, Company has filed an appeal with CIT (Appeal)	152.62	Nil
iv)	Excise demand for Interest on Supplementary invoice for the period January 2003 to March 2007	Nil	1.96
v)	Corporate Guarantee given for Loans taken by Subsidiary Company Lumax DK Auto Industries Limited.	222.97	718.25

Based on the favourable decisions in similar cases/legal opinions taken by the Company, the company believes that it has good cases in respect of the items listed under (iii) above and hence no provision there against is considered necessary.

- 2 a. Capital Commitment Net of Advance Rs. 22.28 Lacs (Previous year 382.72 Lacs)
3. Details in respect of Opening Stock, Turnover & Closing Stock of Finished Goods (Including Traded Goods) : **As Per Annexure-A** (Certified by Management).
4. Details in respect of consumption of Raw Materials, Consumables and purchase of traded goods : **As per Annexure-B** (Certified by Management).
5. In terms of Paragraph-3 Part-II of Schedule VI of the Companies Act 1956, quantity wise disclosure have been restricted to those items/articles which individually account for 10% or more of the total Sales, Consumption as the case may be and the same is disclosed to the extent available and considered as compiled and certified by the management.
6. Sundry Creditors as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) have been identified to the extent of information available with the company . This has been relied upon by the auditors. Sundry Creditors include following amounts due to MSMED parties:

Year ended March 31, 2010 (Amount in Rs.)

S.No	Particulars	Principal	Interest	Total
A	The outstanding dues to micro and small enterprises.	1,259,847 (32,829)	- (-)	1,259,847 (32,829)
B	Principal amount and Interest due thereon remaining unpaid as at end of the year	1,259,847 (32,829)	9,319 (167)	1,269,166 (32,996)
C	Amount of Interest paid in terms of Section 16 of MSMED Act alongwith the amount of the payment made to supplier beyond appointed day	- (-)	- (-)	- (-)
D	Outstanding Interest (Where principal amount has been paid off to the supplier but interest amount is outstanding as on March 31, 2010)	- (-)	41,064 (1,720)	41,064 (1,720)
E	Total Interest out standing as on March 31, 2010 (Interest in 'B' +interest in 'D' above)	- (-)	50,383 (1,887)	50,383 (1,887)

7. Gratuity and Other Post-Employment Benefit Plans:

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

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

Defined Contribution Plans

(Amount in Rs.)

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Employer's Contribution to Provident Fund	5,201,951	4,951,400
Employer's Contribution to Employee State Insurance	371,210	408,017

Defined Benefit Plans

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2010	Year Ended 31.03.2009	Year Ended 31.03.2010	Year Ended 31.03.2009
Current service cost	644,029	644,029	437,070	437,070
Interest Cost	739,120	461,092	238,908	171,495
Expected Return on Plan Assets	(884,678)	-	(361,620)	-
Actuarial (Gain) / Loss	1,034,723	2,529,005	742,088	383,307
Short Term	-	-	-	-
Net cost	1,533,194	3,634,126	1,056,446	991,872

Lumax Auto Technologies Ltd.

(b) The assumptions used to determine the benefit obligations are as follows: (Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2010	Year Ended 31.03.2009	Year Ended 31.03.2010	Year Ended 31.03.2009
Discount Rate	8.00%	8.00%	8.00%	8.00%
Expected Rate of increase in Compensation Levels	5.00%	5.00%	5.00%	5.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Expected Average remaining working lives of employees (years)	N.A.	N.A.	N.A.	N.A.

(c) Reconciliation of opening and closing Balances of Benefit Obligations and Plan Assets (Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2010	Year Ended 31.03.2009	Year Ended 31.03.2010	Year Ended 31.03.2009
Change in Projected Benefit Obligation (PBO)				
Projected benefit obligation at beginning of year	9,238,995	5,763,649	2,986,350	2,143,692
Current Service Cost	644,029	644,029	437,070	437,070
Interest cost	739,120	461,092	238,908	171,495
Benefits paid	(167,004)	(158,780)	(220,227)	(149,214)
Actuarial (Gain)/Loss	1,034,723	2,529,005	742,088	383,307
Projected Benefit Obligation at year end & change in Plan Assets:				
Fair value of Plan Assets at year end- Long Term	11,489,863	9,238,995	4,184,189	2,986,350
Fair Value of Plan Assets at year end	12,360,079	9,364,082	5,460,151	2,561,403
Net Funded Status of the plan	870,216	125,087	1,275,962	424,947
Net Amount Recognized	(870,216)	(125,087)	(1,275,962)	(424,947)

Provision for Gratuity is made in the books and does not take into effect the application of changes vide Gazette Notification No.15/2010, as the effective date of changes are yet to be notified by the Central Government.

8. The Company has provided for Employee Benefits on actuarial valuation as per Projected Unit Credit Method, using principles laid under Accounting Standard 15 (Revised).
9. 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 Company, is as given below:

Name of the Joint Venture Company	Country of Incorporation	Proportion of Ownership interest	Description of Interest
Lumax Cornaglia Auto Technologies Private Limited	India	50%	JV is established principally for manufacture, assembly and sale of automotive components

The Company's share in the aggregate amounts to each of the Assets, Liabilities, Income, Expenses, Capital Commitments and Contingent liabilities as at / for the year ended March 31, 2010 and March 31, 2009 are as under:

(Amount in Rs.)

Proportion of Company's Interest in Joint Venture	2009-10 Unaudited	2008-09 Audited
Assets	53,423,081	37,407,439
Liabilities	24,083,932	10,526,052
Income	37,729,347	19,522,954
Expenses	34,103,918	18,465,855
Capital Commitments	3,305,000	4,817,500
Contingent Liabilities	-	-

10. Subsequent to Accounting Standard 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, Deferred Tax Expenses of Rs.40,89,000/- for the period is recognized in the Profit & Loss Account. The significant components of the Deferred Tax Liability as on March 31, 2010 are:-

(Amount in Rs.)

S.No.	Particulars	As At 31.03.2010	As At 31.03.2009
1.	Deferred Tax Liability		
	i) Depreciation	29,888,620	29,206,127
	Total	29,888,620	29,206,127
2.	Deferred Tax Asset		
	i) Provision for Doubtful Debts	2,477,180	-
	ii) Disallowance u/s 43B	1,106,565	1,170,300
	iii) Disallowance u/s 40 (a) (ia)	1,97,875	17,540
	iv) Unabsorbed Depreciation	-	6,000,287
	Total	3,781,620	7,188,127
	Deferred Tax Liability(Net) (1 – 2)	26,107,000	22,018,000

11. Information Regarding Licensed , Installed Capacity, Production(As certified by management) etc.

S. No.	Class of Goods Manufactured	Licensed Capacity	Installed Capacity	Production Qty (Nos.)
1	Head Lamp Assembly	N. A. N. A.	1,325,000 (1,325,000)	1,309,557 (1,320,954)
2	Tail Lamp Assembly	N. A. N. A.	30,000 (30,000)	24,542 (15,830)
3	Silencer Assembly	N. A. N. A.	20,000 (20,000)	8,976 (18,926)
4	Frame / Chassis	N. A. N. A.	475,000 (400,000)	459,782 (362,731)
5	Fork Flap / Lamp Shed	N. A. N. A.	- (-)	980,020 (-)
6	Wind Shield CT-100/ Platina	N. A. N. A.	450,000 (450,000)	354,399 (433,334)
7	Revolving Light	N. A. N. A.	20,000 (-)	12,500 (-)
8	Seat Frames	N. A. N. A.	30,000 (-)	20,378 (-)

Lumax Auto Technologies Ltd.

12. Value of Imports calculated on CIF basis :

(Amount in Rs.)

S.No.	Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
1.	Raw Material and Component	21,825,005	2,345,030
2.	Purchase of Finished Goods	-	666,777
3.	Capital Goods and Accessories	-	8,107,220
	Total	21,825,005	11,119,027

13. Payment To Auditors:

(Amount in Rs.)

S.No.	Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
1.	For Audit, Tax Audit & VAT Audit Fees	330,000	300,000
2.	For Other Services	73,500	40,500
	Total	403,500	340,500

14. Managing Directors Remuneration

(Amount in Rs.)

S.No.	Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
1.	Remuneration / Salary	960,000	880,000
2.	Contribution to Provident Fund	115,200	105,600
3.	Perquisites	265,296	49,769
4.	Commission to Managing Director (*)	3,053,850	-
	Total	4,394,346	1,035,369

(*) Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956 for calculation of Commission to Payable to Managing Director :-

(Amount in Rs.)

	Particulars	Year ended 31.03.2010	Year ended 31.03.2009
	Net Profit as per Profit & Loss Account (before taxation)	87,672,545	5,539,624
Add:-	Managerial Remuneration	4,394,346	1,035,369
	Directors Sitting Fees	61,000	64,500
	Depreciation	27,067,534	20,344,632
	Provision for Doubtful Debts and Advances	7,457,454	-
	Loss / (Profit) on Sale of Fixed Assets/Discarded	2,209,758	63,314
	Total	128,862,637	27,047,439
Less:-	Depreciation as per Section 350 of the Companies Act, 1956	27,067,534	20,344,632
	Net Profit for Calculation of Commission	101,795,103	6,702,807
	a) Commission @ 3% of Net Profit	3,053,850	201,084
	b) Maximum Remuneration Payable (including Commission) @ 5% of Net Profit	5,089,755	335,140
Less -	Actual Remuneration Paid*	1,340,496	1,035,369
	Maximum Remuneration allowed	3,749,259	-
	Managerial Commission allowed lower of (a) or (b) above	3,053,850	-

* As prescribed under Schedule XIII of the Companies Act, 1956

15. Related Party Disclosures:

The information about transactions with the Related Parties is attached herewith - **As per Annexure "C"**.

16. Earnings Per Share: (Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Profit After Tax as per Profit & Loss Account	67,748,545	5,716,624
Weighted Average No. of Equity Shares (Face Value Rs.10/- each)		
For Basic Earnings Per Share	11,631,541	11,631,541
For Diluted Earnings Per Share	11,631,541	11,631,541
Earnings Per Share		
Basic	5.82	0.49
Diluted	5.82	0.49

17. Earning / Outgo In Foreign Currency (on Accrual Basis): (Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Payment in Foreign Currency		
Travelling – Foreign	641,747	581,430
Commission to Agents	804,422	497,862
Royalty	544,092	51,602
Total	1,990,261	1,130,894
Earning in Foreign Currency	44,544,511	21,472,861

18. The total expenditure incurred on Research and Development: (Amount in Rs.)

Nature of Expenses	Year ended 31.03.2010	Year ended 31.03.2009
Expenditure charged to Profit and Loss Account	3,391,652	232,316
Expenditure Capitalised during the year	-	4,417,930

19. Balance confirmation letters have not been obtained from some of the parties.

20. Previous year's figures have been regrouped or rearranged wherever necessary to make them comparable with the current year's figures.

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CAD. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

Annexure "A" Attached to Notes to Accounts

A) Details in Respect of Opening Stock, Turnover and Closing Stock of Finished Goods (including Traded Goods)

S. No.	Class of Goods	Opening Stock		Sales		Closing Stock	
		Qty (Nos.)	Value (Rs.)	Qty (Nos.)	Value (Rs.)	Qty (Nos.)	Value (Rs.)
1	Head Lamp Assembly	71,188 (46,666)	21,017,272 (7,679,866)	4,154,981 (3,569,921)	803,483,997 (493,021,469)	40,988 (71,188)	11,523,747 (21,017,272)
2	Tail Lamp Assembly	34,792 (27,130)	6,030,668 (4,345,860)	720,293 (570,188)	165,096,016 (107,549,659)	23,372 (34,792)	3,685,952 (6,030,668)
3	Silencer Assembly	- (-)	- (-)	8,976 (18,926)	7,928,080 (20,352,724)	- (-)	- (-)
4	Frame / Chassis	- (-)	- (-)	459,782 (362,731)	370,398,739 (334,649,923)	- (-)	- (-)
5	Fork Flap / Lamp Shed	- (-)	- (-)	980,020 (-)	59,369,461 (-)	- (-)	- (-)
6	Wind Shield CT-100/ Platina	- (-)	- (-)	354,399 (433,334)	11,991,414 (14,662,576)	- (-)	- (-)
7	Revolving Light	- (-)	- (-)	12,500 (-)	6,392,083 (-)	- (-)	- (-)
8	Seat Frame	- (-)	- (-)	20,378 (-)	7,022,508 (-)	- (-)	- (-)
9	Others	- (-)	33,697,370 (39,843,868)	- (-)	838,591,657 (642,406,363)	- (-)	25,408,874 (33,697,370)
	Total	- (-)	60,745,310 (51,869,594)	- (-)	2,270,273,955 (1,612,642,715)	- (-)	40,618,573 (60,745,310)

Note: It is not practicable to furnish quantitative information in view of the large number of items which differ in size and nature, each being less than 10% in value of the total.

Annexure "B" Attached to Notes to Accounts

B (i) Details for Consumption of Raw Material

S No.	Name of Item	Unit	Year Ended 31.03.2010		Year Ended 31.03.2009	
			Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
1	Steel Sheet	Kgs.	953,392	34,322,121	3,092,379	111,325,662
2	Steel Tube	Mtr.	317,261	14,958,271	301,505	18,335,308
3	Steel Tube	Nos.	3,156,601	98,653,601	2,456,181	85,970,139
4	Plastic Powder	Kgs.	307,809	38,168,332	237,013	28,441,588
5	Others		-	471,556,056	-	238,645,740
	Total			657,658,381		482,718,437

Value and percentage of Raw Materials and Stores Consumed :

S No	Particulars	Raw Material		Consumable Stores	
		%	Value (Rs.)	%	Value (Rs.)
1	Indigenous	96.84 (99.60)	636,860,353 (480,782,037)	- (100)	36,483,446 (36,936,939)
2	Imported	3.16 (0.40)	20,798,028 (1,936,400)	- (-)	- (-)
	Total	100 (100)	657,658,381 (482,718,437)	- (100)	36,483,446 (36,936,939)

Annexure "B" (Contd.)

B (ii) Details of Purchase of Traded Goods.

(Amount in Rs.)

S.No.	Name of the Item	Purchase	
		Quantity	Amount
1.	Head Lamp Assembly	2,815,224 (2,873,489)	445,260,108 (381,490,989)
2.	Tail Lamp Assembly Rear Lamp	684,331 (562,020)	133,541,866 (108,244,780)
3.	Motor Adjusters	1,116,295 -	205,406,258 -
4.	Others		361,117,531 (319,642,472)
	Total		1,145,325,763 (809,378,241)

Annexure "C" Attached to Notes to Accounts

Related Party Disclosure

(A) Subsidiary

- (a) Lumax DK Auto Industries Ltd.

(B) Key Management Personnel :

- (a) Mr. D. K. Jain (Husband of Mrs. Usha Jain & Father of Mr. Anmol Jain)
- (b) Mrs. Usha Jain (Wife of Mr. D.K. Jain & Mother of Mr. Anmol Jain)
- (c) Mr. Anmol Jain (Son of Mr. D.K. Jain & Mrs. Usha Jain)

(C) Relatives of Key Management Personnel :

- (a) Mr. Deepak Jain (Son of Mr. D.K. Jain & Mrs. Usha Jain, Brother of Mr. Anmol Jain)
- (b) Mr. S.C. Jain (Father of Mr. D.K. Jain & Grandfather of Mr. Anmol Jain and Deepak Jain)
- (c) Mrs. Shivani Jain (Wife of Mr. Anmol Jain)

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

- (a) Lumax Industries Ltd.
- (b) Sheela Finance Pvt. Ltd
- (c) Deepak Auto Ltd.
- (d) Lumax Automotive Systems Ltd.
- (e) Lumax Filter Pvt. Ltd.
- (f) Mahavir Udyog
- (g) Lumax Investment and Finance Pvt. Ltd.
- (h) Lumax Tours and Travels Ltd.
- (i) Bharat Enterprises
- (j) S L Lumax Ltd.
- (k) Lumax Tours & Travels Ltd.

(E) Joint Venture

- (a) Lumax Cornaglia Auto Technologies Pvt. Ltd.

Lumax Auto Technologies Ltd.

Annexure "C" (Contd.)

Details of Related Party Transactions for the Financial Year 2009-2010 in accordance with Accounting Standard - 18

S. No.	Account Head	Subsidiary		Key Management Personnel		Relatives of Key Management Personnel by key management personnel or their relatives		Enterprises owned or significantly influenced		Joint Venture		TOTAL	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
A)	TRANSACTIONS												
	Sale of Raw Materials and Components												
	Lumax DK Auto Industries Ltd.	6,219,629	6,064,313	-	-	-	-	-	-	-	-	6,219,629	6,064,313
	Lumax Industries Ltd.	-	-	-	-	-	-	320,563,935	17,455,699	-	-	320,563,935	17,455,699
	Deepak Auto Ltd.	-	-	-	-	-	-	-	4,634	-	-	-	4,634
	Total	6,219,629	6,064,313	-	-	-	-	320,563,935	17,460,333	-	-	326,783,564	23,524,646
	Sale of finished goods												
	Lumax DK Auto Industries Ltd.	250,744	-	-	-	-	-	-	-	-	-	250,744	-
	Lumax Industries Ltd.	-	-	-	-	-	-	106,690,691	29,861,908	-	-	106,690,691	29,861,908
	Total	250,744	-	-	-	-	-	106,690,691	29,861,908	-	-	106,941,435	29,861,908
	Job work/ others												
	Lumax Industries Ltd.	-	-	-	-	-	-	580,652	899,133	-	-	580,652	899,133
	Deepak Auto Ltd.	-	-	-	-	-	-	-	73,895	-	-	-	73,895
	Total	-	-	-	-	-	-	580,652	973,028	-	-	580,652	973,028
	Purchase of Raw Materials and Components												
	Bharat Enterprises	-	-	-	-	-	-	15,644,467	13,393,293	-	-	15,644,467	13,393,293
	Lumax Industries Ltd.	-	-	-	-	-	-	85,162,752	41,720,409	-	-	85,162,752	41,720,409
	Deepak Auto Ltd.	-	-	-	-	-	-	18,328,272	14,090,358	-	-	18,328,272	14,090,358
	Total	-	-	-	-	-	-	119,135,491	69,204,060	-	-	119,135,491	69,204,060
	Purchase of Finished Goods												
	Lumax DK Auto Industries Ltd.	3,703,057	-	-	-	-	-	-	-	-	-	3,703,057	-
	Lumax Industries Ltd.	-	-	-	-	-	-	339,597,432	196,102,352	-	-	339,597,432	196,102,352
	Lumax Automotive Systems Ltd.	-	-	-	-	-	-	-	(929,044)	-	-	-	(929,044)
	Lumax Filters Pvt Ltd	-	-	-	-	-	-	-	51,957	-	-	-	51,957
	Deepak Auto Ltd.	-	-	-	-	-	-	11,216,990	9,423,257	-	-	11,216,990	9,423,257
	Total	3,703,057	-	-	-	-	-	350,814,422	204,648,522	-	-	354,517,479	204,648,522
	Purchase of other & Jobwork												
	Lumax Industries Ltd.	-	-	-	-	-	-	-	56,687	-	-	-	56,687
	Deepak Auto Ltd.	-	-	-	-	-	-	834,379	13,298	-	-	834,379	13,298
	Lumax Tours & Travels Ltd.	-	-	-	-	-	-	1,082,563	193,666	-	-	1,082,563	193,666
	Total	-	-	-	-	-	-	1,916,942	263,651	-	-	1,916,942	263,651
	Sale of Capital Goods												
	Lumax Cornagila Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	56,269	-	56,269	-
	Lumax Industries Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	56,269	-	56,269	-
	Purchase of Capital Goods												
	Lumax Industries Ltd.	-	-	-	-	-	-	3,448,617	655,151	-	-	3,448,617	655,151
	Total	-	-	-	-	-	-	3,448,617	655,151	-	-	3,448,617	655,151
	Lease Rent												
	Lumax DK Auto Industries Ltd.	31,850	-	-	-	-	-	-	-	-	-	31,850	-
	Mr. Deepak Jain	-	-	-	-	540,000	540,000	-	-	-	-	540,000	540,000
	Lumax Industries Ltd.	-	-	-	-	-	-	180,000	384,000	-	-	180,000	384,000
	Total	-	-	-	-	540,000	540,000	180,000	384,000	-	-	720,000	924,000
	Managerial Remuneration												
	Mrs. Usha Jain	-	-	960,000	880,000	-	-	-	-	-	-	960,000	880,000
	Total	-	-	960,000	880,000	-	-	-	-	-	-	960,000	880,000

Annexure "C" (Contd.)

S. No.	Account Head	Subsidiary		Key Management Personnel		Relatives of Key Management Personnel by key management personnel or their relatives		Enterprises owned or significantly influenced		Joint Venture		TOTAL	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
B)	Providend Fund & Perquisites Mrs. Usha Jain	-	-	380,496	155,369	-	-	-	-	-	-	380,496	155,369
	Total	-	-	380,496	155,369	-	-	-	-	-	-	380,496	155,369
	Commission Paid Mrs. Usha Jain	-	-	3,053,850	-	-	-	-	-	-	-	3,053,850	-
	Total	-	-	3,053,850	-	-	-	-	-	-	-	3,053,850	-
	Dividend Paid												
	Mr D K Jain	-	-	6,473,868	3,823,136	-	-	-	-	-	-	6,473,868	3,823,136
	Mrs Usha Jain	-	-	1,159,280	695,568	-	-	-	-	-	-	1,159,280	695,568
	Mr Anmol Jain	-	-	1,914,725	1,148,835	-	-	-	-	-	-	1,914,725	1,148,835
	Mr Deepak Jain	-	-	-	-	1,986,630	1,191,978	-	-	-	-	1,986,630	1,191,978
	Mr S C Jain	-	-	-	-	53,375	32,025	-	-	-	-	53,375	32,025
	D K Jain and Sons (HUF)	-	-	-	-	-	-	2,864,928	1,718,957	-	-	2,864,928	1,718,957
	Sheela Finance Pvt. Ltd.	-	-	-	-	-	-	2,875,000	1,725,000	-	-	2,875,000	1,725,000
	Vardhman Agencies Pvt. Ltd.	-	-	-	-	-	-	10,650	-	-	-	10,650	-
	Total	-	-	9,547,873	5,667,539	2,040,005	1,224,003	5,750,578	3,443,957	-	-	17,338,455	10,335,499
	Interest on Unsecured Loan Paid												
	Sheela Finance Pvt. Ltd.	-	-	-	-	-	-	-	183,137	-	-	-	183,137
	Lumax Investment & Finance Pvt Ltd.	-	-	-	-	-	-	-	314,000	-	-	-	314,000
	Total	-	-	-	-	-	-	-	497,137	-	-	-	497,137
	Dividend Received												
	Lumax DK Auto Industries Ltd.	28,834,129	-	-	-	-	-	-	-	-	-	28,834,129	-
	Total	28,834,129	-	-	-	-	-	-	-	-	-	28,834,129	-
	BALANCES AT THE YEAR END												
	Receivables												
	Lumax DK Auto Industries Ltd.	105,636	1,570	-	-	-	-	-	-	-	-	105,636	1,570
	Lumax Industries Ltd	-	-	-	-	-	-	140,370,064	1,833,252	-	-	140,370,064	1,833,252
	Lumax Automotive Systems Ltd.	-	-	-	-	-	-	295,446	1,145,446	-	-	295,446	1,145,446
	Deepak Auto Ltd.	-	-	-	-	-	-	-	88	-	-	-	88
	Lumax Cornagila Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	56,269	-	56,269	-
	Sub Total	105,636	1,570	-	-	-	-	140,665,510	2,978,786	56,269	-	140,721,780	2,980,356
	Advance paid to subsidiary												
	Lumax DK Auto Industries Ltd.	358,288	5,194,400	-	-	-	-	-	-	-	-	358,288	5,194,400
	Lumax DK Auto Industries Ltd. - Maximum Amount Outstanding during the year	103,358,288	108,552,688	-	-	-	-	-	-	-	-	103,358,288	108,552,688
	Sub Total	358,288	5,194,400	-	-	-	-	-	-	-	-	358,288	5,194,400
	Security Deposit												
	Lumax Industries Ltd	-	-	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	Sub Total	-	-	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	Investment												
	Lumax Cornagila Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	26,471,500	26,471,500	26,471,500	26,471,500
	Sub Total	-	-	-	-	-	-	-	-	26,471,500	26,471,500	26,471,500	26,471,500
	Total (Receivable)	358,288	5,194,400	-	-	-	-	165,665,510	27,978,786	26,527,769	26,471,500	192,551,568	59,644,686

Lumax Auto Technologies Ltd.

Annexure "C" (Contd.)

S. No.	Account Head	Subsidiary		Key Management Personnel		Relatives of Key Management Personnel by key management personnel or their relatives		Enterprises owned or significantly influenced		Joint Venture		TOTAL	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
	Payables												
	Lumax DK Auto Industries Ltd.	1,923,780	2,793,346	-	-	-	-	-	-	-	-	1,923,780	2,793,346
	Lumax Industries Ltd.	-	-	-	-	-	-	87,869,448	62,486,076	-	-	87,869,448	62,486,076
	Deepak Auto Ltd.	-	-	-	-	-	-	8,160,161	11,066,148	-	-	8,160,161	11,066,148
	Bharat Enterprises	-	-	-	-	-	-	2,819,578	4,713,228	-	-	2,819,578	4,713,228
	Lumax Automotive Systems Ltd.	-	-	-	-	-	-	226,599	113,048	-	-	226,599	113,048
	Lumax Filter Pvt. Ltd.	-	-	-	-	-	-	22,232	79,875	-	-	22,232	79,875
	Lumax Tours and Travels Ltd.	-	-	-	-	-	-	373,291	36,804	-	-	373,291	36,804
	Mrs. Usha Jain	-	-	3,109,250	-	-	-	-	-	-	-	3,109,250	-
	Mr. Deepak Jain	-	-	-	-	27,000	38,047	-	-	-	-	27,000	38,047
	Sub Total	1,923,780	2,793,346	3,109,250	-	27,000	38,047	99,471,309	78,495,179	-	-	104,531,339	81,326,572
	Advance received from subsidiary												
	Lumax DK Auto Industries Ltd.	5,500,000	-	-	-	-	-	-	-	-	-	5,500,000	-
	Sub Total	5,500,000	-	-	-	-	-	-	-	-	-	5,500,000	-
	Total (Payable)	7,423,780	2,793,346	3,109,250	-	27,000	38,047	99,471,309	78,495,179	-	-	110,031,339	81,326,572

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

S. No.	Name of Subsidiary	Lumax DK Auto Industries Limited
(1)	(2)	(3)
1	Financial Year of the subsidiary	01.04.2009 - 31.03.2010
2	Share of the subsidiary held by the company on the above date: (a) Number and face value (b) Extent of holding	4,240,343 Equity Shares of Rs. 10/- each fully paid up 100%
3	Net aggregate amount of profits/(losses) of the subsidiary for the above financial year of the subsidiary not dealt with in the company's accounts: (a) for the financial year of the subsidiary - Profit/(Loss) (b) for the previous financial years since it become a subsidiary - Profit/(Loss)	Rs. 156,619,705 Rs. 245,008,395
4	Net aggregate amount of profits/(losses) of the subsidiary dealt with in the company's accounts: (a) for the financial year of the subsidiary - Profit/(Loss) (b) for the previous financial years since it become a subsidiary - Profit/(Loss)	Rs. 28,834,129 Nil

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CAD. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

LUMAX AUTO TECHNOLOGIES LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS	Registration No. : L31909MH1981PLC025519	
	Balance Sheet Date : 31.03.2010	State Code : 25
II CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)	Public Issue : -	Rights Issue : -
	Bonus Issue : -	Private Placement : -
III POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)	Total Liabilities : 463,083	Total Assets : 463,083
	Sources of Funds	
	Paid up Capital : 116,315	Reserves & Surplus : 272,832
	Secured Loans : 34,939	Unsecured Loans : 12,890
	Deferred Tax Liability : 26,107	
	Application of Funds	
	Net Fixed Assets Net : 356,786	Investments : 39,195
	Current Assets : 67,102	Misc. Expenditure : -
	Accumulated Losses : -	Deferred Tax Asset : -
IV PERFORMANCE OF COMPANY (Amount in Rs. Thousands)	Turnover* : 2,302,227	Total Expenditure : 2,214,554
	Profit/(Loss) Before Tax : 87,673	Profit/(Loss) after Tax : 67,749
	Earning per share in Rs. : 5.82	Dividend Rate% : 40.00 #
*Includes Other income Rs. 31953 thousand. # Includes Interim Dividend		
V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/ SERVICES OF COMPANY (As per Monetary Terms)	Items Code No. (ITC Code) :	851220.10
	Product Description :	HEAD LAMP, TAIL LAMP, BLINKERS
	Items Code No. (ITC Code) :	871491.00
	Product Description :	PARTS AND ACCESSORIES OF MOTOR VEHICLES
	Items Code No. (ITC Code) :	870892.00
	Product Description :	SILENCERS AND EXHAUST PIPE
	Items Code No. (ITC Code) :	851290.00
	Product Description :	ADJUSTOR MOTOR LEVELOR
	Items Code No. (ITC Code) :	870899.00
	Product Description :	SEAT FRAMES

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CAD. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

LUMAX DK AUTO INDUSTRIES LTD.

Regd. Office: B-86, Mayapuri Industrial Area,
Phase-I, New Delhi-110064.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirteenth Annual Report together with Audited Balance Sheet and Profit & Loss Account for the year ended 31.03.2010.

	Rs (In lacs)	
FINANCIAL RESULTS	2009-10	2008-09
Sales (Net of Excise)	18,990.44	13,913.70
Gross Profit	2,697.22	1,949.87
(-) Interest	84.96	136.25
(-) Depreciation	329.56	231.11
Profit before Tax (PBT)	2,282.70	1,582.51
(-) Provision for Income Tax, Deferred tax and FBT	379.16	500.07
Profit after Tax (PAT)	1,903.54	1,082.44
(+) Balance in P & L Account b/f	2,406.61	1,324.17
Profit available for Appropriation	4,310.15	2,406.61
Dividend	288.34	-
Tax on Dividend	49.00	-
Transfer to General Reserve	191.00	-
Balance retained in P&L Account	3,781.81	2,406.61

OPERATIONS

Your Directors are pleased to report the remarkable results for the year ended March 31, 2010. For the Financial Year 2009-2010 your Company has achieved net sales revenue of Rs.18,990.44 lacs as against Rs.13,913.70 lacs in the previous year showing an impressive growth of 36.49%. The Profit after tax has also increased from Rs.1,082.44 lacs to Rs.1,903.54 lacs in the Current Financial Year registering remarkable growth of 75.86 % over the previous year.

In order to get better synergies in operations, the Company has decided to discontinue the trading business activity w.e.f. 01.09.2009.

The Gear Shifter Division has received prestigious Gold Award for overall excellence and Certificate for Focused Cost Down efforts for the year 2009-10 from M/s Maruti Suzuki India Limited. The Pantnagar unit has also received the prestigious BAL TPM Award from M/s Bajaj Auto Limited for implementation of TPM activities which has resulted improvement in productivity, quality and TPM cultural change.

During the year the Company's In house R & D centre has been further strengthened by adding the state of art equipments. Further expansion in R & D activities is under consideration. The Directors are confident that In-house R & D will substantially enhance the capability of Company to secure more business in future.

DIVIDEND

For the year under review, the Board of Directors of your Company approved and paid Interim Dividend of Rs. 6.80 per share i.e. 68% on 4,240,313 fully paid up Equity Shares of the Company. The total dividend payout is Rs. 337.34 lacs which includes Corporate Dividend Tax of Rs. 49.00 lacs. The Board has recommended the interim dividend as full and final dividend for the year.

DIRECTORS

Mr. D.K. Jain retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of the Companies Act, 1956 and Articles of Association of the Company, and being, eligible, has offered himself for re-appointment.

Mrs. Poysha Goyal Jain has been appointed as Executive Director by members in Extra-Ordinary General Meeting held on 30.04.2010.



AUTO TECHNOLOGIES

AUDITORS

J.C. Bhalla & Co., Chartered Accountants retire as Auditors at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment at a remuneration to be fixed by the Board.

The Auditors have not made any adverse remark in their report except about slight delay in remitting some statutory dues in few cases, which have since been paid.

DEPOSITS

The Company has not accepted any Fixed Deposit during the year. There is no Fixed Deposits outstanding at the year end.

OTHER INFORMATION

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosure of information regarding Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo etc. under Section 217(1) (e) of the Companies Act, 1956 and Particulars of Employees under Section 217(2A) of the Companies Act, 1956 are annexed separately as Annexure – A & B respectively.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of profit 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a "Going Concern" basis.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the assistance and support extended by Holding Company, Government Authorities, Bankers, Customers and Vendors. Your Directors also place on record their appreciation for the efficient and loyal services rendered by the employees at all levels to the Company.

For and on behalf of the Board

Place : Gurgaon
Date : May 22, 2010

D.K. Jain
CHAIRMAN

Lumax Auto Technologies Ltd.

ANNEXURE-A

Information as per Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 and forming part of Directors' Report for the year ended 31st March, 2010:

A Conservation of Energy:

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

(a) Energy Conservation Measures Taken and their impact:

During the year under review the Company has taken following measures to conserve the energy:

(1) CFL TUBE introduced in lighting:

The Company has introduced energy efficient CFL tubes and replaced the existing Metal Halide Tubes of 250 Watt with CFL Tubes of 65 Watt. The reduction in Watt from 250 to 65 watt has reduced the energy consumption.

(2) Auto Capacitor Panel introduced for maintaining the Power Factor:

The Company has introduced Auto capacitor Panel in both the Units of the Company to maintain the optimum Power Factor within the prescribed limits. This has resulted in saving in energy.

(3) Energy saving Jackets have been installed in injection moulding Machines.

(4) On/off timers and temperature sensors have been installed on various equipments to avoid wastage of energy.

(b) Additional Investments and Proposals being implemented for reduction of Consumption of Energy:

At present, there are no such additional investments and proposals for consumption of energy, however the Company may implement the same as per the need.

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

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

(d) Total Energy Consumption and Energy Consumption per unit of production:

Being not applicable hence the Form A is not furnished.

B Research & Development.

The Company has its own state of the Art In house R & D Centre at Manesar accredited by the Department of Science & Industrial Research, Ministry of Science & Technology, Government of India.

1 Specific Areas in which R & D is carried out by the Company

Self sufficiency in Design & Development activities, Continuous improvement has been widely implemented in the plant by process re-engineering and kaizen.

2 Benefits derived as a result of the above R & D

Increase in productivity, improved customer satisfaction, new businesses, enhanced quality and healthy competition at international levels.

3 Future Plan of Action

To continue development of new and innovative range of products as per the market requirement

4 Expenditure on R & D (through R & D Centre)

(Amount in Rs)

A	Capital	3,731,670
B	Recurring	6,444,775
C	Total	10,176,445
D	Total R & D expenditure percentage to turnover(%)	0.54

C Technology Absorption, Adoption And Innovation

1 Efforts in brief made towards technology absorption, adaptation and innovation

Continuous efforts are made to secure and utilize the latest available technology to keep pace with the latest manufacturing trends keeping in mind the quality, cost reduction and capacity utilization. Frequent discussions with customers to keep updated about new requirements of latest technology.

2 Benefits derived as a result of the above efforts, e.g product improvement, cost reduction, product development, import substitution etc.

Apart from superior quality products new businesses from renowned OEMs have been secured.

3 Technology imported during last five years

The company is having specific Technical Assistance agreements which are product and customer specific. The validity of agreements runs till the life of particular model.

Technology imported	Year of Import	Has technology been fully absorbed	Benefit derived
NIL	NIL	NIL	NIL

D (a) Exports Related Initiative

Initiatives taken to increase exports; development of new export markets for products and services; and export plans:

- Your Company has been continuously striving opportunities for growth in export business.

(b) Foreign Exchange Earnings & Outgo

Particulars	2009-10 (Rs)	2008-09 (Rs)
Foreign Exchange Earned:	2,375,728	193,053
Foreign Exchange Outgo:		
Travelling Expenses	294,418	271,662
Import of Capital Goods	27,147,183	16,760,198
Import of Raw Material	129,657,068	93,941,484
Royalty	3,509,375	3,578,465
Technical/Design Fees	8,444,928	NIL

Lumax Auto Technologies Ltd.

ANNEXURE - B

Information as per section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st March, 2010:

S.N.	Name of Employee	Age (Years)	Designation and Nature of Duty	Gross Remuneration Received (Rs.)	Qualification and Experience (Years)	Date of Employment	Last Employment & Position held
A	Employed through out of the Financial Year under review & were in receipt of remuneration for the financial year in aggregate not less than Rs. 24,00,000/- per annum:						
1	Mrs. Shivani Jain	31	Executive Director	11,967,658	MBA (8)	2.8.2004	Glaxo-Management Trainee
B	Employed part of the year under review & were in receipt of remuneration at the rate not less than Rs. 2,00,000/- per month: NIL						

Notes :

1. Nature of employment is contractual.
2. Mrs. Shivani Jain, Executive Director is responsible for overall management and Control of affairs of the Company subject to supervision, control and direction of the Board and her position involves significant managerial responsibility.
3. Remuneration includes Salary, Allowances, Medical Reimbursement, Perquisites and contribution to Provident Fund.
4. Mrs. Shivani Jain is relative of Mr. D. K. Jain, Mr. Deepak Jain and Mr. Anmol Jain, Directors of the Company.
5. As none of the employees are in receipt of remuneration in that year which in the aggregate or as the case may be, at a rate which in the aggregate, is in excess of that drawn by Mrs. Shivani Jain, Executive Director and holds by herself or along with her spouse and dependent children not less than two percent, of the Equity shares of the Company. Hence the clause 217(2A) (a)(iii) is not applicable.

AUDITORS' REPORT**The Members of Lumax DK Auto Industries Limited**

We have audited the attached Balance Sheet of Lumax DK Auto Industries Limited as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to in paragraph above, we report that;

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account, as required by law, have been kept by the company, so far as appears from our examination of the books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) The Balance Sheet, Profit & Loss Account and Cash Flow Statement are in compliance with the mandatory Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956 to the extent applicable.
- e) On the basis of written representations received from Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - ii) in the case of Profit and Loss Account, of the profit for the year ended on that date; and

- iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Rajesh Sethi
Partner

Membership No. 85669
Firm Registration No. 001111N

For and on behalf of
J.C. Bhalla & Co

Chartered Accountants

Place : Gurgaon
Date : May 22, 2010

Annexure to the Auditors' Report on the accounts of Lumax DK Auto Industries Limited for the year ended 31st March 2010 as referred to in our report of even date.

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at the year-end. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the record of fixed assets maintained by the company.
- (c) The company has not disposed off substantial part of fixed assets during the year.
- (ii) (a) The inventory (excluding stock with third parties which has been substantially confirmed by them) has been physically verified by the management at reasonable intervals.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management were adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to any company, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) As the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of para 4 (iii)(b), (iii)(c) and (iii)(d) of the Order are not applicable to the company.
- (c) According to the information and explanations given to us, the company has not taken any unsecured loan from a company covered in the register maintained under Section 301 of the Companies Act, 1956. The Maximum amount involved during the year was Rs. Nil and year-end balance of loan taken from such party was Rs. Nil.
- (d) In our opinion, the rate of interest and other terms and conditions of loan taken by the company are not prima facie prejudicial to the interest of the company.
- (e) The company is regular in repayment of the principal and interest as stipulated.

Lumax Auto Technologies Ltd.

- (iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. The clause relating to sales of service is not applicable to the company. Further, in our opinion, there is no continuing failure to correct major weaknesses in internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In respect of transactions entered into with the parties covered in the register maintained under Section 301 of the Companies Act, 1956, the items are stated to be of proprietary/specialized nature, and therefore in such cases, the comparison of prices with the market rates can not be made.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the year within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- (vii) The company has an in-house internal audit system commensurate with its size and nature of its business.
- (viii) On the basis of records produced, we are of the opinion that, prima facie, the cost accounting records prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 have been maintained by the company. However, we are not required to and have not carried out any detailed examination of such records.
- (ix) (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities as per its records *though there has been delays in few cases of income tax (TDS)*.
- (b) According to the information and explanations given to us, there is no case where Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess have not been deposited on account of dispute except as stated hereunder:
- (xi) According to the information and explanations given to us, the company has not defaulted in repayment of dues to any bank.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the provisions of any special statute applicable to chit fund, nidhi, mutual benefit fund, societies are not applicable to the company.
- (xiv) The company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us, on an overall basis, term loans have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us, on the basis of an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised by the company on short-term basis which have been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debentures during the year.
- (xx) The company has not made any public issue during the year.
- (xxi) During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

Name of the Statute	Nature of the Dues	Amount Disputed (Rs)	Amount Deposited (Rs)	Period to which it relates	Forum where the dispute is pending.
Employee State Insurance Corporation	ESI Demand	102,139	51,070	F.Y. 2005-06	Additional Session Judge Gurgaon
Employee State Insurance Corporation	ESI Demand	90,247	45,123	F.Y.2007-08	Court of Civil Judge Senior Division Cum Designated ESI Court

- (x) According to the records of the company, the company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.

Rajesh Sethi
Partner
Membership No. 85669
Firm Registration No. 001111N
For and on behalf of
J.C. Bhalla & Co.
Chartered Accountants

Place : Gurgaon
Date : May 22, 2010



AUTO TECHNOLOGIES

LUMAX DK AUTO INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	Schedules	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	42,403,130	42,403,130
Reserves and Surplus	2	397,280,888	240,661,183
Loan Funds	3		
Secured Loans		22,513,962	72,220,880
Unsecured Loans		358,288	103,358,288
Deferred Tax Liability - Net	4	35,116,403	36,322,761
		<u>497,672,671</u>	<u>494,966,242</u>
APPLICATION OF FUNDS			
Fixed Assets	5		
Gross Block		503,417,848	443,636,680
Less: Depreciation		<u>100,452,380</u>	<u>68,013,468</u>
Net Block		402,965,468	375,623,212
Capital Work in Progress		18,904,402	1,921,560
Current Assets, Loans & Advances			
Inventories	6	60,676,838	37,983,393
Sundry Debtors	7	328,974,725	284,034,315
Cash & Bank Balances	8	34,806,668	4,465,008
Loans & Advances	9	<u>146,514,827</u>	<u>80,049,603</u>
		570,973,058	406,532,319
Less: Current Liabilities & Provisions	10		
Liabilities		377,771,739	213,190,874
Provisions		<u>117,398,518</u>	<u>77,048,725</u>
Net Current Assets		495,170,257	290,239,599
Miscellaneous Expenditure	11	-	1,128,750
(To the extent not written off or adjusted)			
		<u>497,672,671</u>	<u>494,966,242</u>
Significant Accounting Policies & Notes to Accounts	21		

This is the Balance Sheet referred to in our report of even date.

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

Rajesh Sethi
Partner
Membership No. 85669
For and on behalf of
J.C.Bhalla & Co.
Chartered Accountants

D.K.Jain
Chairman

Deepak Jain
Director

Anmol Jain
Director

Shivani Jain
Executive Director

Place : Gurgaon
Date : May 22, 2010

Sanjay Mehta
Vice President(F)

Anil Tyagi
Company Secretary

Lumax Auto Technologies Ltd.

LUMAX DK AUTO INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Schedules	For the Year ended 31.03.2010 (Rs.)	For the Year ended 31.03.2009 (Rs.)
INCOME			
Gross Sales		1,957,589,592	1,460,365,916
Less : Excise Duty		58,545,545	68,995,360
Net Sales		1,899,044,047	1,391,370,556
Other Income	12	7,282,502	2,865,433
		1,906,326,549	1,394,235,989
EXPENDITURE			
Purchase of Traded Goods		140,235,184	352,492,335
Raw Material Cost	13	1,297,792,356	720,166,349
Manufacturing & Operating Expenses	14	115,051,822	61,385,631
Personnel Expenses	15	40,851,490	23,514,855
Administrative Expenses	16	20,820,563	20,474,539
Selling & Distribution Expenses	17	18,634,040	14,317,863
Financial Expenses	18	8,496,059	13,624,753
Depreciation		32,956,240	23,110,513
Decrease /(Increase) in Inventories	19	(3,194,142)	1,799,489
R & D Expenses (net)	20	6,444,775	5,629,476
		1,678,088,387	1,236,515,803
Profit before Tax & Prior period Adjustment		228,238,162	157,720,186
Add/(Less) : Prior Period Adjustment (Net)		31,646	530,778
Profit before Tax		228,269,808	158,250,964
Less: Tax Expenses			
Current Tax	39,121,972		42,737,300
Deferred Tax	(1,206,358)		6,711,669
Fringe Benefit Tax	-		605,380
Wealth Tax	-		15,450
Tax adjustment of earlier years (net)	-	37,915,614	(62,629)
Profit after Tax		190,354,194	108,243,794
Add : Balance brought forward from Previous Year		240,661,183	132,417,389
Amount Available for Appropriation		431,015,377	240,661,183
Appropriations:			
Dividend		28,834,129	-
Tax on Dividend		4,900,360	-
Transfer to General Reserve		19,100,000	-
Balance Carried forward		378,180,888	240,661,183
Earnings Per Share (Basic & Diluted)		44.89	25.53
(Nominal value of shares Rs 10(Previous Year : Rs 10))			

Significant Accounting Policies & Notes to Accounts 21
This is the Profit & Loss Account referred to in our report of even date.

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

Rajesh Sethi
Partner

Membership No. 85669
For and on behalf of
J.C.Bhalla & Co.
Chartered Accountants

D.K.Jain
Chairman

Deepak Jain
Director

Anmol Jain
Director

Shivani Jain
Executive Director

Sanjay Mehta
Vice President(F)

Anil Tyagi
Company Secretary

Place : Gurgaon
Date : May 22, 2010

LUMAX DK AUTO INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE PERIOD APRIL 1, 2009 TO MARCH 31, 2010

S. No	Particulars	31.03.2010 (Rs.)	31.03.2009 (Rs.)
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit (Loss) Before Tax (after Prior Period Items)	228,269,808	158,250,964
	ADJUSTMENTS FOR :		
	Depreciation charged for the year	32,434,391	22,982,613
	Depreciation on R&D Assets	521,849	127,900
	Adjustment of Depreciation	-	(860,165)
	Interest Paid	8,496,059	13,624,753
	Interest Income	(321,942)	(99,218)
	Rent Received	(172,875)	(119,000)
	Deferred Revenue Expenditure	1,128,750	1,128,750
	(Profit)/Loss on Sale of Fixed Assets	(1,041,702)	269,201
	Operating Profit Before Working Capital Changes	269,314,338	195,305,798
	ADJUSTMENTS FOR :		
	Inventories	(22,693,445)	(2,385,208)
	Sundry debtors	(44,940,410)	(66,057,674)
	Loans and Advances	(19,849,026)	(992,230)
	Current Liabilities	164,580,865	(25,961,765)
	Provision for Leave encashment, Gratuity and Excise Duty	1,227,821	(201,244)
	Cash Generated From Operations	347,640,143	99,707,677
	Direct Taxes Paid	(46,616,198)	(37,019,285)
	Income Tax refund for earlier years	-	43,610
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	301,023,945	62,732,002
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Interest Income	321,942	99,218
	Rent Received	172,875	119,000
	Sale/Adjustment of Fixed Assets	37,266,732	8,449,695
	Purchase of Fixed Assets	(113,506,368)	(26,792,544)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(75,744,819)	(18,124,631)
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Paid	(8,496,059)	(13,624,753)
	Dividend paid	(28,834,129)	-
	Dividend Tax paid	(4,900,360)	-
	Proceeds from Long Term Borrowings		
	Receipts	45,126,960	-
	Payments	(76,870,000)	(30,440,000)
	Net movement in cash credit facilities and short term loans	(120,963,878)	(7,031,823)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(194,937,466)	(51,096,576)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	30,341,660	(6,489,205)
	CASH AND CASH EQUIVALENTS (OPENING)	4,465,008	10,954,213
	CASH AND CASH EQUIVALENTS (CLOSING)	34,806,668	4,465,008

NOTES:

- Cash Flow Statement has been prepared under the 'Indirect method' as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Negative figures have been shown in brackets.
- Cash and cash equivalent includes Rs. 4,212,738/- against margin money (Previous Year Rs. Nil) which are not available for use by the company.

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

As per our report of even date

Rajesh Sethi

Partner

Membership No. 85669

For and on behalf of

J.C.Bhalla & Co.

Chartered Accountants

D.K.Jain
Chairman

Deepak Jain
Director

Anmol Jain
Director

Shivani Jain
Executive Director

Place : Gurgaon

Date : May 22, 2010

Sanjay Mehta
Vice President(F)

Anil Tyagi
Company Secretary

Lumax Auto Technologies Ltd.

LUMAX DK AUTO INDUSTRIES LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
SCHEDULE - 1		
SHARE CAPITAL		
a) Authorised :		
5,000,000 (Previous year 5,000,000) Equity Shares of Rs.10/- each	<u>50,000,000</u>	<u>50,000,000</u>
	<u>50,000,000</u>	<u>50,000,000</u>
b) Issued, Subscribed and Paid up :		
4,240,313 (Previous Year 4,240,313) Equity Shares of Rs.10/- each fully paid up	<u>42,403,130</u>	<u>42,403,130</u>
(- Out of the above 897,625 Equity Shares allotted other than Cash		
- All the shares are held by the holding company M/s.Lumax Auto Technologies Limited)	<u>42,403,130</u>	<u>42,403,130</u>
SCHEDULE - 2		
RESERVES AND SURPLUS		
a General Reserve		
Per last Balance sheet	-	-
Add: Transfer from Profit and Loss Account	<u>19,100,000</u>	-
Total	<u>19,100,000</u>	-
b Profit and Loss Account	<u>378,180,888</u>	<u>240,661,183</u>
	<u>397,280,888</u>	<u>240,661,183</u>
	<u>397,280,888</u>	<u>240,661,183</u>
SCHEDULE - 3		
LOAN FUNDS		
A) SECURED LOANS		
a) Vehicle Loans	<u>217,002</u>	<u>395,401</u>
(Secured against First Charge on Vehicles)		
(Due within one year Rs.159,402/- (Previous year Rs 178,399/-)		
b) Term Loans		
Term Loans-ABN AMRO BANK	-	<u>54,040,000</u>
(Due within one year Rs.Nil (Previous year Rs 30,440,000/-)		
Term Loans-Corporation Bank	<u>22,296,960</u>	-
(Due within one year Rs.19,828,027/- (Previous year Rs Nil)		
(Secured by way of first charge against all movable fixed assets, equitable mortgage on Land and Building and Corporate Guarantee of Lumax Auto Technologies Ltd.)		
c) Working Capital limits		
Working Capital-ABN Amro Bank	-	<u>17,785,479</u>
(Secured by way of first charge against current assets of the company and Corporate Guarantee of Lumax Auto Technologies Ltd.)		
	<u>22,513,962</u>	<u>72,220,880</u>
B) UNSECURED LOANS		
From Lumax Auto Technologies Ltd	<u>358,288</u>	<u>103,358,288</u>
(Holding Company)	<u>358,288</u>	<u>103,358,288</u>
SCHEDULE - 4		
DEFERRED TAX LIABILITY		
As per last Balance Sheet	<u>36,322,761</u>	<u>29,611,092</u>
Add: Transferred from P&L Account	<u>(1,206,358)</u>	<u>6,711,669</u>
	<u>35,116,403</u>	<u>36,322,761</u>

LUMAX DK AUTO INDUSTRIES LIMITED
SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010
SCHEDULE - 5
FIXED ASSETS

(Amount In Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.04.2009	Additions	Sales/ Adjustments	As at 31.03.2010	Upto 31.03.2009	01.04.2009 To 31.03.2010	Adjustments	Upto 31.03.2010	Value as at 31.03.2010	Value as at 31.03.2009
TANGIBLE										
Free Hold Land	13,930,514	3,340,956	-	17,271,470	-	-	-	-	17,271,470	13,930,514
Lease Hold Land	19,200,085	-	-	19,200,085	426,668	213,334	-	640,002	18,560,083	18,773,417
Buildings	108,663,839	31,980	-	108,695,819	9,092,815	3,407,628	-	12,500,443	96,195,376	99,571,024
Plant & Machinery	274,068,092	79,975,737	(36,742,359)	317,301,470	48,211,751	26,620,540	(517,328)	74,314,963	242,986,507	225,856,341
Furniture & Fixtures	4,196,573	48,375	-	4,244,948	1,046,306	239,696	-	1,286,002	2,958,946	3,150,267
Office Equipments	3,510,527	108,542	-	3,619,069	834,174	149,856	-	984,030	2,635,039	2,676,353
Vehicles	3,432,253	-	-	3,432,253	518,661	325,927	-	844,588	2,587,665	2,913,592
Computers	5,690,644	418,504	-	6,109,148	2,781,677	753,132	-	3,534,809	2,574,339	2,908,967
INTANGIBLE										
Technical Know How/ Design Fee	5,626,383	8,867,763	-	14,494,146	4,973,516	724,278	-	5,697,794	8,796,352	652,867
Total (A)	438,318,910	92,791,857	(36,742,359)	494,368,408	67,885,568	32,434,391	(517,328)	99,802,631	394,565,777	370,433,342
R & D Assets										
TANGIBLE										
Plant & Machinery	3,059,986	3,346,962	-	6,406,948	72,243	182,241	-	254,484	6,152,464	2,987,743
Furniture & Fixtures	120,947	29,799	-	150,746	2,474	7,925	-	10,399	140,347	118,473
Office Equipments	252,676	-	-	252,676	313	12,002	-	12,315	240,361	252,363
Vehicles	557,779	-	-	557,779	31,793	52,989	-	84,782	472,997	525,986
Computers	287,422	354,909	-	642,331	20,508	58,900	-	79,408	562,923	266,914
INTANGIBLE										
Computer Software	1,038,960	-	-	1,038,960	569	207,792	-	208,361	830,599	1,038,391
Total (B)	5,317,770	3,731,670	-	9,049,440	127,900	521,849	-	649,749	8,399,691	5,189,870
Total (A+B)	443,636,680	96,523,527	(36,742,359)	503,417,848	68,013,468	32,956,240	(517,328)	100,452,380	402,965,468	375,623,212
Capital Work in Progress									18,904,402	1,921,560
Grand Total	443,636,680	96,523,527	(36,742,359)	503,417,848	68,013,468	32,956,240	(517,328)	100,452,380	421,869,870	377,544,772
Previous Year	425,352,358	27,443,242	(9,158,920)	443,636,680	46,203,144	23,110,513	(1,300,189)	68,013,468	375,623,212	381,721,472

Note:

1) Capital Work in Progress includes capital advances amounting to Rs.9,501,598/- (Previous Year Rs. 1,150,000/-).

Lumax Auto Technologies Ltd.

LUMAX DK AUTO INDUSTRIES LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
SCHEDULE - 6		
INVENTORIES (As taken, valued and certified by the Management)		
Raw Material	50,588,970	32,351,818
Finished Goods	2,516,105	1,345,875
Work in Progress	4,581,206	2,557,294
Consumable Stores	2,473,213	1,325,189
Packing Material	517,344	403,217
	<u>60,676,838</u>	<u>37,983,393</u>
SCHEDULE - 7		
SUNDRY DEBTORS (Unsecured - considered good)		
Debtors outstanding for more than		
-Six months	17,055	112,328
-Others	328,957,670	283,921,987
	<u>328,974,725</u>	<u>284,034,315</u>
SCHEDULE - 8		
CASH AND BANK BALANCES		
Cash in Hand	398,763	70,920
Balance with Banks - Current Accounts	30,195,167	4,394,088
- Fixed Deposit (Against Margin Money)	4,212,738	-
	<u>34,806,668</u>	<u>4,465,008</u>
SCHEDULE - 9		
LOANS AND ADVANCES (Unsecured - considered good unless other-wise stated)		
a) Advances recoverable in cash or in kind or for value to be received	29,072,875	10,238,093
b) Security Deposits	2,654,136	2,257,636
c) Balance with Central Excise Authorities	2,752,333	2,222,185
d) Tax Paid	112,035,483	65,419,285
	<u>146,514,827</u>	<u>80,137,199</u>
Less: Provision for doubtful advances	-	(87,596)
	<u>146,514,827</u>	<u>80,049,603</u>
SCHEDULE - 10		
CURRENT LIABILITIES AND PROVISIONS		
a) Current Liabilities :		
Sundry Creditors - Micro, Small and Medium Enterprises	-	-
- Others	340,093,540	197,488,574
Liability for Expenses (including payable to Directors Rs. 2,932,993/- (Previous Year Rs. 230,020/-)	17,584,832	9,789,325
Advance from Customers (Rs. 4,386,667/- Secured against First Charge on Tools (Previous Year Rs. 1,920,000/-)	13,756,667	1,929,000
Other Liabilities	6,336,700	3,983,975
	<u>377,771,739</u>	<u>213,190,874</u>



AUTO TECHNOLOGIES

LUMAX DK AUTO INDUSTRIES LIMITED
SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
b) Provisions :		
Income Tax	111,132,572	72,010,600
Fringe Benefit Tax	1,072,120	1,072,120
Wealth Tax	15,450	15,450
Gratuity	2,413,223	1,893,944
Earned Leave	2,765,153	2,056,611
	117,398,518	77,048,725
Total Current Liabilities and Provisions	495,170,257	290,239,599

SCHEDULE - 11

MISCELLANEOUS EXPENDITURE
 (To the extent not written off or adjusted)
 Deferred Revenue Expenditure
 Opening Balance
 Less : Written off during the year

1,128,750	2,257,500
1,128,750	1,128,750
-	1,128,750

**SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE
 YEAR ENDED 31.03.2010**

Particulars	For the year ended 31.03.2010 (Rs.)	For the year ended 31.03.2009 (Rs.)
-------------	--	--

SCHEDULE - 12

OTHER INCOME

Interest (TDS - Rs. 19,482/- (Previous Year TDS Rs. Nil)	321,942	99,218
Miscellaneous Income	1,265,605	1,684,906
Cash Discount received	185,297	239,596
Rent Received	172,875	119,000
Foreign Exchange Difference	4,188,063	-
Profit on Sale of Assets (Net)	1,041,702	-
Excess Provision Written Back	107,018	722,713
	7,282,502	2,865,433

SCHEDULE - 13

RAW MATERIAL COST

Raw Material Consumed		
Opening Stock	32,351,818	28,934,125
Add : Purchases	1,316,029,508	723,584,042
Less : Closing Stock	50,588,970	32,351,818
	1,297,792,356	720,166,349

SCHEDULE - 14

MANUFACTURING AND OPERATING EXPENSES

Wages & Bonus	32,756,692	20,765,591
Light, Power and Fuel	34,739,555	24,243,020
Consumable Stores	9,768,720	5,953,209
Repairs to Machinery	5,495,656	2,016,276
Job Work Charges	25,307,802	5,921,817
Testing fee	301,981	53,045
Freight Inward	6,681,416	2,434,265
Excise Duty on Finished Goods	-	(1,592)
	115,051,822	61,385,631

Lumax Auto Technologies Ltd.

LUMAX DK AUTO INDUSTRIES LIMITED

SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

Particulars	For the year ended 31.03.2010 (Rs.)	For the year ended 31.03.2009 (Rs.)
SCHEDULE - 15		
PERSONNEL EXPENSES		
Salaries and Bonus*	32,928,568	18,059,746
Contribution to ESI and PF*	1,841,949	1,734,745
Gratuity Expenses	589,349	-
Staff Welfare*	5,491,624	3,720,364
	<u>40,851,490</u>	<u>23,514,855</u>
* Including Managerial Remuneration		
SCHEDULE - 16		
ADMINISTRATIVE EXPENSES		
Travelling and Conveyance	1,877,436	1,564,601
Postage and Telephones	865,883	888,161
Legal and Consultancy	721,031	951,118
Printing and Stationery	838,022	802,020
Rent	180,363	185,200
Rates and Taxes	660,257	619,648
General Repairs and Maintenance	2,065,310	1,540,263
Building Repairs and Maintenance	2,649,806	1,842,975
Security Expenses	2,121,622	1,950,402
Insurance	617,619	589,785
Deferred Revenue Exp. Written off	1,128,750	1,128,750
Vehicle Maintenance	1,517,657	1,069,079
Loss on Sale of Assets (Net)	-	269,201
Royalty	3,509,375	3,578,465
Donation	10,000	6,130
Provision for Excise duty Expenses	-	87,596
Amount Written off (Net)	157,444	46,353
Miscellaneous Expenses	1,899,988	1,411,152
Foreign Exchange Difference	-	1,943,640
	<u>20,820,563</u>	<u>20,474,539</u>
SCHEDULE - 17		
SELLING AND DISTRIBUTION EXPENSES		
Packing and Forwarding	5,947,903	5,784,496
Packing Material Consumed	6,467,537	6,141,430
Rebate and Discounts	6,218,600	2,391,937
	<u>18,634,040</u>	<u>14,317,863</u>
SCHEDULE - 18		
FINANCE EXPENSES		
Interest on -		
Term Loan	4,665,616	9,603,789
Working capital	985,035	2,941,452
ICD	-	174,452
Others	499,689	149,051
Bank Charges	2,345,719	756,009
	<u>8,496,059</u>	<u>13,624,753</u>



AUTO TECHNOLOGIES

LUMAX DK AUTO INDUSTRIES LIMITED

SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

Particulars	For the year ended 31.03.2010 (Rs.)		For the year ended 31.03.2009 (Rs.)	
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SCHEDULE - 19

DECREASE/(INCREASE) IN INVENTORIES

a) Closing Stock :				
Finished Goods	2,516,105		1,345,875	
Work in Progress	<u>4,581,206</u>	7,097,311	<u>2,557,294</u>	3,903,169
b) Opening Stock :				
Finished Goods	1,345,875		3,210,219	
Work in Progress	<u>2,557,294</u>	3,903,169	<u>2,492,439</u>	5,702,658
Net Decrease /(Increase)		<u>(3,194,142)</u>		<u>1,799,489</u>

SCHEDULE - 20

R & D EXPENSES

Raw Material Cost	2,770,968		152,676
Manufacturing & Operating Expenses	370,998		29,195
Personnel Expenses	3,720,880		4,452,335
Administrative Expenses	1,433,586		995,270
Selling & Distribution Expenses	936		-
Financial Expenses	33,692		-
Less: Sale of Prototype Tool	<u>(1,886,285)</u>		-
	<u>6,444,775</u>		<u>5,629,476</u>

Lumax Auto Technologies Ltd.

SCHEDULE 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

2. REVENUE RECOGNITION

Sale of goods is recognised at the point of dispatch of finished goods to customers. Sales are inclusive of Excise Duty and exclusive of Sales Tax.

3. FIXED ASSETS AND DEPRECIATION

- i) Fixed Assets are stated at cost of acquisition (net of Cenvat) less accumulated depreciation and subsequent improvements thereto including expenses relating to acquisition and installation. Pre-operative expenses incurred during the construction, trial and stabilisation period including interest on borrowing related to acquisition of fixed assets are capitalised up to the period such assets are put to commercial use.
- ii) Depreciation has been provided on straight-line basis in accordance with and at the rates prescribed in Schedule XIV to the Companies Act, 1956 read with the relevant circulars issued by the Department of Company Affairs from time to time on all the assets except Intangible Asset on which depreciation has been provided on straight-line Method to write off the cost of the Asset over its estimated useful life. Depreciation on Assets whose actual cost does not exceed Rs.5, 000/- is provided at the rate of 100%.
- iii) Cost of Leasehold land is amortized over the period of lease.

4. INTANGIBLE ASSETS

Intangible assets comprising of technical know how/Design & computer software are amortized over a period of their estimated useful life of five years.

5. VALUATION OF INVENTORIES

i)	Raw Material, Packing Material & Consumable Stores	At cost on FIFO basis or net realisable value whichever is lower.
ii)	Work in Progress	At cost or net realizable value whichever is lower.
iii)	Finished Goods	At cost or net realizable value whichever is lower.
iv)	Scrap	At estimated realizable value.
v)	Trading	At cost or net realizable value whichever is lower.

Cost includes Excise Duty in respect of Finished Goods, wherever applicable.

6. TRANSACTIONS IN FOREIGN CURRENCIES

- (i) Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the date of transaction.
- (ii) Foreign currency monetary items (including forward contracts) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items (including forward contracts) are recognized as income or expense in the year in which they arise.

- (iii) The premium or discount arising at the inception of a forward contract, which is not intended for trading purpose, is amortized as expense or income over the life of the contract.

7. DEFERRED REVENUE EXPENDITURE

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

8. EMPLOYEE BENEFITS

(a) Short Term Employee Benefits:

Short term employee benefits are recognized in the period during which the services have been rendered.

(b) Long Term Employee Benefits:

(i) Defined Contribution Plan

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary and dearness allowance. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance scheme, which are also defined contribution scheme recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Profit and Loss Account. The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined Benefit Plan

Leave Encashment – Liability on account of unavailed earned leave at the year end is provided as per the actuarial valuation according to Projected Unit Credit Method.

Gratuity – Liability on account of gratuity at the year end is provided as per the actuarial valuation according to the Projected Unit Credit Method.

(iii) Actuarial gains and losses are recognized as and when incurred.

9. BORROWING COST

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such Assets. A qualifying Asset is an Asset that necessarily requires substantial period of time to get ready for its intended use. All other borrowing cost is recognized as expenses in the period in which they are incurred.

10. INCOME TAXES

Tax expense comprises both current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing difference between taxable income and accounting income that are capable of reversal in one or more subsequent period and are measured using tax rate enacted or substantively enacted as at the balance sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

11. SEGMENT REPORTING

The Company operates in two primary business segments viz. Automotive Parts, and Trading of Motor Adjusters.

Lumax Auto Technologies Ltd.

12. EARNINGS PER SHARE

Basic Earnings per equity share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Diluted Earnings per share is calculated on the same basis as Basic Earnings per share, after adjusting for the effect of potential dilutive equity shares.

13. PRE-OPERATIVE EXPENDITURE

The expenditure incurred by the Company from the date of setting up of a new unit upto the date of commencement of commercial production of the unit is treated as Pre-operative expenditure to be capitalized as a part of the indirect cost of construction. The amount of such expenditure is to be apportioned over the individual assets in an equitable manner. The amount not directly attributable to fixed assets are charged to the Profit and Loss account in the year in which such expenditure is incurred.

14. PROVISIONS

Provisions are recognized when the Company has a present obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

15. IMPAIRMENT OF ASSETS

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

16. RESEARCH & DEVELOPMENT

Revenue expenditure on research & development is charged under respective heads of account. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same as other fixed assets.

B NOTES TO ACCOUNTS

1. Contingent Liabilities:
E.S.I Demand - **Rs. 192,386/-** (Rs. 192,386/-)

Capital Commitments (net of advances) - **Rs. 34,511,405/-** (Rs. 1,150,000/-)
2. The value of stock of finished goods lying at the year-end includes excise duty amounting to **Rs. Nil/-** (Rs. NIL). This has no effect on the profit for the year.
3. Balances under the heads Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation.
4. In the opinion of Directors, Current Assets, Loans and Advances, if realised in the ordinary course of business, have the value at which they are stated in the Balance Sheet.
5. Segment Reporting

Information about Business Segment- Primary

The company has considered business segment as the primary segment for disclosure. The products included in each of the reported business segments are as follows:

Automotive Parts include Gear Shifter Assembly, Parking Brake, Automotive Lights and Plastic Mouldings.
Trading Activities include Motor adjusters.

The above business segments have been identified considering:

- a) the nature of products and services
- b) the differing risks and returns
- c) the organization structure, and
- d) the internal financial reporting systems

S. No.	Reportable Segments	Automotive Parts	Trading*	Consolidated
1.	Segment Revenue			
	a) External Revenue	1,729,417,041 (968,253,470)	176,909,508 (425,982,519)	1,906,326,549 (1,394,235,989)
	b) Inter Segment Revenue	- (-)	- (-)	- (-)
	c) Total Revenue	1,729,417,041 (968,253,470)	176,909,508 (425,982,519)	1,906,326,549 (1,394,235,989)
2.	Segment Results (Profit/Loss)	201,237,543 (102,756,201)	35,528,324 (69,119,516)	236,765,867 (171,875,717)
	Unallocated Expenses			8,496,059 (13,624,753)
	Profit Before Tax			228,269,808 (158,250,964)
	Income Tax			39,121,972 (42,737,300)
	Previous Year Tax Adjustment			- (62,629)
	Fringe Benefit Tax			- (605,380)
	Deferred Tax			1,206,358 (6,711,669)
	Wealth Tax			- (15,450)
	Profit after tax			190,354,194 (108,243,794)
3.	Other Information Segment Assets	958,036,260 (665,415,445)	- (114,196,638)	958,036,260 (779,612,083)
	Un-allocable Assets	- (-)	- (-)	34,806,668 (4,465,008)
	Total Assets	- (-)	- (-)	992,842,928 (784,077,091)
	Segment Liabilities	553,158,910 (436,493,385)	- (65,648,143)	553,158,910 (502,141,528)
	Un-allocable Liabilities	- (-)	- (-)	- (-)
	Total Liabilities	553,158,910 (436,493,385)	- (65,648,143)	553,158,910 (502,141,528)
	Capital Expenditure	96,523,527 (27,443,242)	- (-)	96,523,527 (27,443,242)
	Capital Expenditure (Including CWIP & Pre-Operative Expenses)	18,904,402 (1,921,560)	- (-)	18,904,402 (1,921,560)
	Depreciation	32,956,240 (23,110,513)	- (-)	32,956,240 (23,110,513)
	Non-cash expenses other than depreciation	1,128,750 (1,128,750)	- (-)	1,128,750 (1,128,750)

* As a business decision the Board has decided in their meeting held on 29th July,2009 to discontinue this business w.e.f 01.09.2009.

Lumax Auto Technologies Ltd.

Notes:-

1. Segment results represent Profit / (loss) before Tax.
2. Capital Expenditure pertains to gross additions made to fixed assets during the year. Capital Expenditure (WIP) pertains to Capital expenditure on expansion project at Manesar and Pant Nagar.
3. Segment Assets include Fixed Assets, Capital WIP, Pre-Operative Expenses, Current Assets & Loans and Advances.
4. Segment Liabilities includes Current Liabilities, Provisions, Secured and Unsecured Loans and deferred tax liability.
5. The accounting policies used to derive reportable segment results are consistent with those described in the "Significant Accounting Policies" in schedule to the financial statements.

Information about Geographical Segment-

The Company's operations are restricted to India and it has nominal exports. Therefore, the Disclosure requirement for Geographical Segment as required by AS-17 is not applicable.

6. Employee Benefits

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

Defined Contribution Plans

Particulars	Year Ended 31.03.2010 (Rs.)	Year Ended 31.03.2009 (Rs.)
Employer's Contribution to Provident Fund *	1,732,896	1,567,200
Employer's Contribution to Employee State Insurance *	259,057	347,120

* included in Personnel Expenses (Refer Schedule 15 & 20)

Defined Benefit Plans

Particulars	Gratuity* Year Ended 31.03.2010 Unfunded (Rs.)	Gratuity* Year Ended 31.03.2009 Unfunded (Rs.)	Leave Encashment* Year Ended 31.03.2010 Unfunded (Rs.)	Leave Encashment* Year Ended 31.03.2009 Unfunded (Rs.)
Current service cost	556,637	501,784	941,497	912,392
Interest Cost	155,375	182,385	131,776	87,560
Expected Return on Plan Assets	-	(-)	-	(-)
Actuarial (gain) / loss	(60,735)	(1,222,022)	(467,729)	(528,403)
Short Term				450,867
Net cost	651,277	(537,853)	605,544	922,416

* included in Personnel Expenses (Refer Schedule 15 & 20).

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

Particulars	Gratuity Year Ended 31.03.2010 (Rs.)	Gratuity Year Ended 31.03.2009 (Rs.)	Leave Encashment Year Ended 31.03.2010 (Rs.)	Leave Encashment Year Ended 31.03.2009 (Rs.)
Discount Rate	8.50%	7.50%	8.50%	7.50%
Expected Rate of increase in Compensation Levels	10.00%	10.00%	10.00%	10.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Expected Average remaining working lives of employees (years)	26.87	27.06	26.87	27.06

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

Particulars	Gratuity Year Ended 31.03.2010 Unfunded (Rs.)	Gratuity Year Ended 31.03.2009 Unfunded (Rs.)	Leave Encashment Year Ended 31.03.2010 Unfunded (Rs.)	Leave Encashment Year Ended 31.03.2009 Unfunded (Rs.)
Change in Projected Benefit Obligation (PBO)				
Projected benefit obligation at beginning of year	1,893,944	2,431,797	1,605,744	1,200,734
Current service cost	556,637	501,784	941,497	912,392
Interest cost	155,375	182,385	131,776	87,560
Benefits paid	131,998	(-)	(110,874)	(66,539)
Actuarial (gain) / loss	(60,735)	(1,222,022)	(467,729)	(528,403)
Projected benefit obligation at year end & change in plan assets:				
Fair value of plan assets at year end-Long Term	-	-	2,100,414	1,605,744
Fair value of plan assets at year end-Short Term	-	-	664,739	450,867
Net funded status of the plan	-	-	2,765,153	2,056,611
Net amount recognized	2,413,223	1,893,944	2,765,153	2,056,611

Lumax Auto Technologies Ltd.

7. Related Party Disclosures

As per Accounting Standard (AS-18), company's related party disclosure is as under:

S. No	Name of Related Party	Relationship	Nature of Transaction	Volume of Transactions (Rs)	Closing Balance (Rs.)	
1	Lumax Auto Technologies Ltd.	Holding company	Unsecured loan	103,000,000 (-)	358,288 (103,358,288)	Cr. (Cr.)
			Sale of goods	3,703,057 (5,346,195)	1,923,780 (2,793,346)	Dr. (Dr.)
			Purchase of goods	6,219,629 (6,064,313)	218,595 (1,570)	Dr. (Cr.)
			For capital goods	5,500,000 (-)	5,500,000 (-)	Dr.
			Dividend	28,834,129 (-)	- (-)	
			Rent Received	31,850 (-)	49,992 (-)	Dr.
			Others	250,744 (-)		
2	Lumax Industries Limited	Enterprise Significantly influenced by Directors & their relatives	Purchase of goods	31,418,611 (25,107,163)	2,436,468 (13,707,455)	Cr. (Cr.)
			Purchase of Fixed Assets	24,496,729 (2,985,874)	104,500 (485,451)	Cr. (Cr.)
			Sale of goods	509,079,143 (578,186,173)	125,637,466 (192,493,926)	Dr. (Dr.)
			Sale of Fixed Assets	5,473,136 (-)		
			Rent Received	- (15,000)	10,561 (264,119)	Dr. (Dr.)
			Others	36,211 (172,299)		
3	S L Lumax Limited	Enterprise Significantly influenced by Directors & their relatives	Sale of Goods	- (7,422,607)	9,000 (9,000)	Cr. (Cr.)

S. No	Name of Related Party	Relationship	Nature of Transaction	Volume of Transactions (Rs)	Closing Balance (Rs.)	
4	Deepak Auto Ltd	Enterprise Significantly influenced by Directors & their relatives	Sale of goods	4,016,079 (4,539,964)	1,267,699 (502,330)	Dr. (Dr.)
			Purchase of goods	86,703,088 (43,953,221)	27,545,255 (9,026,485)	Cr. (Cr.)
5	Mahavir Udyog (Partnership Firm)	Enterprise Significantly influenced by Directors & their relatives	Rent received	165,184 (119,114)	- (-)	
			Purchase of goods	460,771 (559,897)	35,108 (9, 595)	Cr. (Cr.)
6	Sheela Finance Pvt Limited	Enterprise Significantly influenced by Directors & their relatives	Unsecured loan	- (1,500,000)	- (-)	
			Interest	- (174,452)	- (-)	
7	Lumax Tours & Travels Ltd.	Enterprise Significantly influenced by Directors & their relatives	Service received	1,128,100 (351,205)	182,125 (5,500)	Cr. (Cr.)
8	Mrs. Shivani Jain	Key Management Personnel	Remuneration	11,967,658 (597,300)	2,932,993 (230, 020)	Cr. (Cr.)

During the period the company has neither made any provisions on account of doubtful debts due from related parties nor any amount is written off in respect of related parties.

8. Operating Lease – As a Lessor

- I. The Company has leased out 275 sq ft area of its premise and Machinery for a period of 24 months on renewable basis.
 II. The future minimum lease payments are:

(Amount in Rs.)

Particulars	As at March 31, 2010	As at March 31, 2009
Uncollectible minimum payments receivable at the Balance sheet date	Nil	Nil
Future minimum lease payments		
Not later than one year	193,500	144,000
Later than one year but not later than five years	164,625	Nil
Later than five years	Nil	Nil
Total	358,125	144,000

9. Supplementary Statutory Information

A. Directors' Remuneration

(Amount in Rs.)

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Salaries and allowances	360,000	330,000
Commission	11,306,610	-
Contributions to Provident fund	43,205	39,600
Perquisites	257,843	227,700
Total	11,967,658	597,300

Note:- As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Directors is not ascertainable and, therefore, not included in the above.

Lumax Auto Technologies Ltd.

B. Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956 for calculation of commission payable to directors

(Amount in Rs.)

Particulars		2009-10		2008-09
Profit before Tax-as per profit & Loss Account	228,269,808		-	-
Add: Managerial Remuneration	11,967,658		-	-
Provision for doubtful debts/advance	157,444	240,394,910	-	-
Less: Profit on fixed assets sold/discarded (net)		1,041,702		-
Net Profit for the year Under Sec. 198 & 349		239,353,208		-
Maximum remuneration payable (including commission) 5% of net profit		11,967,660		-
Remuneration (including commission) paid		11,967,658		-

10. Transaction with Micro, Small and Medium Enterprise:

(Amount in Rs.)

S.No.	Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
i)	Principal amount due and remaining unpaid to any Supplier as at the end of Accounting Year.	-	-
ii)	Interest due on principal amount remaining unpaid as at the end of Accounting Year.	-	-
iii)	Amount of Interest along with principal amount paid to Supplier beyond due date of payment.	-	-
iv)	Amount of interest accrued/ due and remaining unpaid at the end of Accounting Year	-	-
v)	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

11. Earnings Per Share (EPS) – The numerators and denominators used to calculate Basic and Diluted Earnings per share are as under:

(Amount in Rs.)

Description		Year Ended 31.03.2010	Year Ended 31.03.2009
Profit attributable to the Equity Shareholders (A)		190,354,194	108,243,794
Basic/Weighted average number of Equity shares outstanding during the year (B)		4,240,313	4,240,313
Nominal Value of Equity Shares (Rs.)		10	10
Basic/Diluted EPS (Rs.) (A/B)		44.89	25.53

12. Deferred Revenue Expenditure

Expenditure amounting to Rs. 11,287,500/- incurred on know how for modification of existing products during the year ended 31st March 2001 was treated as Deferred Revenue Expenditure to be charged to Profit & Loss Account over a period of ten years. Accordingly, Rs. 1,128,750/- has been charged during the year.

13. The composition of Deferred Tax Liability (Net) at the year end is as follows: -

(Amount in Rs.)

S.No.	Particulars	31.03.2010	31.03.2009
	Deferred Tax Assets		
i)	Expenditure deferred u/s 43B of Income Tax Act		
a)	Leave Encashment	-	482,358
b)	Bonus	20,359	205,483
c)	Provision for Gratuity	89,129	523,616
	Total (A)	109,488	1,211,457
	Deferred Tax Liability		
i)	Difference between carrying amount of fixed assets in the financial statements and Income Tax Act	35,225,891	37,150,556
ii)	Deferred Revenue Expenditure	-	383,662
	Total (B)	35,225,891	37,534,218
	Deferred Tax Liability (Net) [(B) –(A)]	35,116,403	36,322,761

14. Miscellaneous expenses includes Auditors Remuneration (excluding Service tax):

(Amount in Rs.)

Particulars	31.03.2010	31.03.2009
Audit Fee	235,200	196,000
Limited Review	216,000	180,000
Tax Audit Fee	86,400	72,000
Tax Matters	65,000	44,000
Other Certification Charges	69,980	26,000
Total	672,580	518,000

15. The Company has in-house R & D Unit at Plot No. 165, Sector 5, IMT Manesar, Gurgaon, Haryana which is duly recognized by DSIR, Ministry of Science & Technology, Government of India vide their letter no. F-1(27)/2008-RDI/2809 dated 03.09.2008.

16. Additional information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956.

A) (i) Particulars in respect of goods manufactured:

S. No.	Class of Goods manufactured (Automotive Parts)	Opening Stock		Sales		Closing Stock	
		Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)
1	Gear Shifter Assembly	-	-	1,399,548	314,360,025	-	-
		(-)	(-)	(783,652)	(219,650,611)	(-)	(-)
2	Moulding	-	-	7,785,869	249,591,594	-	-
		(1,823)	(12,629)	(6,899,426)	(217,769,319)	(-)	(-)
3	Parking Brake	-	-	360,113	58,073,502	-	-
		(-)	(-)	(251,459)	(43,023,725)	(-)	(-)
4	Head Lamp Assembly & Head Lamp	1,623	552,989	764,874	809,951,372	637	611,409
		(1,176)	(916,073)	(356,116)	(295,544,946)	(1,623)	(552,989)

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S. No.	Class of Goods manufactured (Automotive Parts)	Opening Stock		Sales		Closing Stock	
		Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)
5	Tail Lamp Assembly & Tail Lamp	1,700 (1,888)	400,104 (525,453)	937,951 (374,911)	258,264,833 (129,211,567)	6,259 (1,700)	1,427,271 (400,104)
6	Others	- (-)	392,782 (-)	- (-)	31,893,213 (60,190,369)	582 (-)	477,425 (392,782)
	Total	- (-)	1,345,875 (1,454,155)	- (-)	1,722,134,539 (965,390,537)	- (-)	2,516,105 (1,345,875)

A) (ii) Particulars in respect of Traded goods :

S. No.	Class of Goods	Opening Stock		Purchase		Sales		Closing Stock	
		Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)
1	Motor Adjusters	- (6,400)	- (1,756,064)	745,955 (1,726,284)	140,235,184 (352,492,335)	745,955 (1,732,684)	176,909,508 (425,980,019)	- (-)	- (-)

B) Particulars of Licensed and installed capacity and production (As certified by the Management):

(Qty. in Nos.)

S. No.	Class of Goods Manufactured	Licensed Capacity	Installed Capacity	Actual Production
1	Gear Shifter Assembly	NA	2,000,000 (800,000)	1,399,548 (783,652)
2	Moulding	NA	9,000,000 (7,200,000)	7,785,869 (6,897,603)
3	Parking Brake	NA	500,000 (275,000)	360,113 (251,459)
4	Head Lamp Assembly & Head Lamp	NA	2,000,000 (1,000,000)	763,888 (356,563)
5	Tail Lamp Assembly & Tail Lamp	NA	2,000,000 (1,000,000)	942,510 (374,723)

C) Details of Raw Material Consumed

S. No.	Name of the Item	Quantity	Value (Rs.)
1	Housing Assembly (Nos)	427,782 (226,055)	32,387,385 (18,758,843)
2	Knob (Nos)	366,786 (489,234)	7,381,744 (12,565,274)
3	Outer Boot (Nos)	513,412 (480,601)	7,322,239 (6,984,919)
4	Plastic Powder (Kg)	2,010,732 (1,549,140)	197,896,538 (151,565,295)

(Contd.)

S. No.	Name of the Item	Quantity	Value Rs.
5	Sheet Metal (Nos)	4,462,536 (3,015,558)	65,177,952 (38,239,667)
6	Rotula (Nos)	398,833 (257,352)	73,465,039 (46,863,799)
7	Plastic Dana (Kg)	958,730 (374,813)	110,501,038 (52,860,936)
8	Bulbs (Nos.)	4,445,489 (2,338,373)	50,693,035 (28,852,397)
9	Cowl (Nos.)	579,805 (318,143)	109,110,900 (51,757,357)
10	Fender (Nos.)	308,478 (317,858)	22,923,610 (25,238,458)
11	Speedometer (Nos.)	316,524 (75,348)	148,137,273 (40,862,370)
12	Head Lamp (Nos.)	17,220 (55,628)	6,113,100 (22,818,362)
13	Laquer (Kg)	2,021 (2,422)	5,628,187 (6,237,491)
14	PCB Assembly (Nos.)	363,412 (205,699)	60,892,696 (15,168,095)
15	Stay CP B/L(Nos.)	3,116,485 (20,380)	78,017,246 (248,432)
16	Blinker Assembly	284,580 (35,004)	6,076,164 (2,283,908)
17	Windshield	54,166 (17,605)	4,631,965 (1,684,402)
18	Speedo Cabel	266,695 (-)	9,698,311 (-)
19	Lock Kit	267,166 (-)	83,923,248 (-)
20	Others	- (-)	217,814,686 (197,176,344)
	Total		1,297,792,356 (720,166,349)

D) Value and percentage of Raw Materials and Stores consumed:

S. No.	Particulars	Raw Material		Stores Consumed	
		%	Value (Rs.)	%	Value (Rs.)
1	Indigenous	89.42 (87.97)	1,160,464,548 (633,505,071)	100 (100)	9,768,720 (5,953,209)
2	Imported	10.58 (12.03)	137,327,808 (86,661,278)	- (-)	- (-)
	Total	100 (100)	1,297,792,356 (720,166,349)	100 (100)	9,768,720 (5,953,209)

Lumax Auto Technologies Ltd.

E) Expenditure/Payments in Foreign Currency (Accrual Basis):

S. No.	Particulars	31.03.2010 (Rs.)	31.03.2009 (Rs.)
1	CIF Value of Imports a) Raw Material b) Capital Goods	129,657,068 27,147,183	93,941,484 16,760,198
2	Travelling	294,418	271,662
3	Royalty	3,509,375	3,578,465
4	Technical / Design Fees	8,444,928	-

F) Earnings in Foreign Currency (Accrual Basis) :

S. No.	Particulars	31.03.2010 (Rs.)	31.03.2009 (Rs.)
1	Exports of goods calculated on FOB Basis	461,326	1,93,053
2	Other Receipts	1,914,402	-

17. Details of Prior Period Adjustments (Net)

S. No.	Particulars	31.03.2010 (Rs.)	31.03.2009 (Rs.)
A	Expenditure		
1	Salaries & Allowances	-	24,988
2	Raw material	-	2,81,530
3	Line Rejection Charges	-	22,869
4	Amortisation of Land	-	19,394
5	Packing & Forwarding	4,395	-
	Total Expenditure (A)	4,395	348,781
B	Income		
1	Depreciation Adjustment (Income)	-	879,559
2	Interest Received	36,041	-
	Total Income (B)	36,041	879,559
	Prior Period Adjustment (Net)(B-A)	31,646	530,778

18. Schedules 1 to 20 referred to above form an integral part of the accounts.

19. Figures have been rounded off to the nearest rupee and figures of the previous year are given in brackets and have been regrouped wherever necessary.

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

D.K. Jain
Chairman

Deepak Jain
Director

Anmol Jain
Director

Shivani Jain
Executive Director

Place : Gurgaon
Date : May 22, 2010

Sanjay Mehta
Vice President (F)

Anil Tyagi
Company Secretary

LUMAX DK AUTO INDUSTRIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Pursuant to the Provisions of Part-IV of Section VI of the Companies Act, 1956)

1. REGISTRATION DETAILS

Registration No.	U34300DL1997PLC087110	State Code	55
Balance Sheet Date	31.03.2010		

2. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

3. POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS (Amount in Rs. 000)

Total Liabilities	992,843	Total Assets	992,843
Source of Funds			
Paid up Capital	42,403	Reserves & Surplus	397,281
Secured Loans	22,514	Unsecured Loans	358
Deferred Tax Liability	35,116		
Application of Funds			
Net Fixed Assets *	421,870	Net Current Assets	75,803
Accumulated Losses	-	Misc. Expenditure	NIL

(*) includes Capital WIP Rs.18,904 thousand

4. PERFORMANCE OF COMPANY (Amount in Rs. Thousands) (+) for Profit/(-) for Loss

Turnover(**)	1,906,326	Total Expenditure	1,678,088
Profit/Loss before Tax	228,270	Profit/Loss after Tax	190,354
Earnings per Share in Rs.	44.89	Dividend rate %	68.00

(**) includes other income of Rs. 7,282 thousands.

5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

Item Code No. (ITC Code)	87084000
Product Description	Gear Shifter Assembly
Item Code No. (ITC Code)	85122010
Product Description	Head Lamp , Tail Lamp, Blinkers
Item Code No. (ITC Code)	85129000
Product Description	Motor Adjuster Assembly

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

D.K. Jain
Chairman

Deepak Jain
Director

Anmol Jain
Director

Shivani Jain
Executive Director

Place : Gurgaon
Date : May 22,2010

Sanjay Mehta
Vice President (F)

Anil Tyagi
Company Secretary

Lumax Auto Technologies Ltd.

AUDITORS' REPORT

To,
The Board of Directors of
Lumax Auto Technologies Limited,

1. We have examined the attached Consolidated Balance Sheet of Lumax Auto Technologies Limited, and its subsidiary viz., Lumax DK Auto Industries Limited as at 31st March, 2010, the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto.
2. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. We did not audit the financial statements of the subsidiary Company. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of this subsidiary is based solely on the report of other auditors.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard – 21 "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India and on the basis of separate audited financial statements of the Company and its subsidiary included in the consolidated financial statements.
6. On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiary, we are of the opinion that the said Consolidated Financial Statements, and read together with other notes appearing in Schedule " and their impact on Balance Sheet, Profit & Loss account & Cash Flow statement give a true and fair view in conformity with the accounting principles generally accepted in India:
 - [i] In case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiary as on 31st March, 2010
 - [ii] In case of the Consolidated Profit & Loss account, of the consolidated results of operations of the Company and its subsidiary for the year ended on 31st March, 2010
 - [iii] In case of the Consolidated Cash Flow Statement, of the cash flows of the Company and its subsidiary for the year ended on 31st March, 2010.

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

CA D. R. Barve
[Proprietor]
Membership No. 17661

Place : Pune
Date : May 22, 2010



AUTO TECHNOLOGIES

Consolidated Balance Sheet as at March 31, 2010

(Amount in Rs.)

Particulars	Schedules	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	116,315,410	116,315,410
Reserves & Surplus	2	699,793,420	522,564,429
		<u>816,108,830</u>	<u>638,879,839</u>
Loan Funds			
Secured Loans	3	57,453,151	212,826,113
Unsecured Loans	4	12,889,588	12,889,588
		<u>70,342,739</u>	<u>225,715,701</u>
Deferred Tax Liability (Net)	5	61,223,404	58,340,761
Total		<u>947,674,973</u>	<u>922,936,301</u>
APPLICATION OF FUNDS			
Fixed Assets	6		
Gross Block		1,001,609,686	909,278,839
Less : Accumulated Depreciation/ Amortisation		243,513,195	184,149,506
Net Block		<u>758,096,491</u>	<u>725,129,333</u>
Capital Work In Progress including capital advances		15,059,325	7,020,273
Investments	7	26,472,500	26,472,500
Current Assets, Loans & Advances			
Inventories	8	155,927,578	195,662,920
Sundry Debtors	9	724,209,160	467,441,443
Cash and Bank balances	10	94,319,384	31,229,271
Other Current Assets	11	2,468,661	1,804,650
Loans & Advances	12	206,373,184	139,965,530
		<u>1,183,297,967</u>	<u>836,103,814</u>
Less : Current Liabilities & Provision			
Current Liabilities	13	877,098,347	573,560,162
Provisions	14	158,152,963	99,358,207
		<u>1,035,251,310</u>	<u>672,918,369</u>
Net Current Assets		148,046,657	163,185,445
Miscellaneous Expenditure	15	-	1,128,750
[To the extent not written off or adjusted]			
Total		<u>947,674,973</u>	<u>922,936,301</u>
Notes to Accounts	25		

The Schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CA D. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

Consolidated Profit & Loss Account for the year ended March 31, 2010

(Amount in Rs.)

Particulars	Schedules	Year ended 31.03.2010	Year ended 31.03.2009
INCOME			
Turnover (Gross)	16	4,326,347,706	3,206,954,031
Less : Excise Duty		157,029,704	202,940,760
Turnover (Net)		4,169,318,002	3,004,013,271
Other Income	17	8,800,798	6,995,301
Total		4,178,118,800	3,011,008,572
EXPENDITURE			
Purchase of Trading goods		1,285,560,947	1,161,870,576
Material Consumed	18	1,955,450,737	1,202,884,786
Decrease/(Increase) In Inventories	19	14,658,050	(6,691,349)
Manufacturing Expenses	20	214,869,170	150,290,600
Personnel Expenses	21	178,466,976	135,908,017
Administrative Expenses	22	153,461,923	126,263,352
Financial Expenses	23	22,105,870	27,607,381
Depreciation / Amortisation		60,023,774	43,327,245
R&D Expenses	24	6,444,775	5,757,376
Total		3,891,042,222	2,847,217,984
Prior Period Expenses/(Income)		(31,646)	-
Profit Before Tax		287,108,224	163,790,588
Less: Provision for Taxation			
Earlier Year's Tax		35,000	(62,629)
Current Tax		54,921,972	43,574,300
Deferred Tax		2,882,643	4,637,669
Fringe Benefit Tax		-	1,665,380
Wealth Tax		-	15,450
Net Profit		229,268,609	113,960,418
Balance brought forward from previous year		243,572,531	150,568,738
Prior period adjustments		-	(244,143)
Profit available for appropriation		472,841,140	264,285,013
Appropriations :			
Interim Dividend		11,631,653	-
Proposed Dividend		34,894,623	17,447,312
Tax on Dividend		7,772,342	2,965,170
Transferred to General Reserve		25,875,000	300,000
Surplus Carried to Balance Sheet		392,667,522	243,572,531
Net Profit		229,268,609	113,960,418
Earning per Share			
Basic & Diluted (Nominal value of shares of Rs.10 (Previous year : Rs.10))		19.71	9.80

Notes to Accounts

25

The Schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CA D. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Consolidated Cash Flow Statement for the period April 1, 2009 to March 31, 2010

(Amount in Rs.)

Particulars	2009-10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit Before Tax	315,942,353	163,790,588
Adjustments For :		
Depreciation	59,501,925	43,327,245
Depreciation on R&D Assets	521,849	127,900
Adjustment of Depreciation	-	(860,165)
Loss/(Profit) on Sale of Fixed Assets	1,168,056	13,688,068
Interest Income	(1,429,678)	(1,112,019)
Interest Expense	22,105,870	15,111,378
Rent Received	(172,875)	(119,000)
Voluntary Retirement Compensation & Deferred Expenditure Written off	1,128,750	-
(Profit)/Loss on Sale of Fixed Assets	-	269,201
Operating Profit Before Working Capital Changes	398,766,250	234,223,196
Adjustments For :		
Inventories	39,735,342	(7,811,580)
Trade & Other Receivables	(258,711,489)	(33,603,862)
Trade & Other Payables	311,140,955	(48,669,165)
Other Loans & Advances (Net)	83,957,533	3,395,319
Provision For Leave Encashment, gratuity & Excise Duty	1,227,821	(201,244)
Cash Generated From Operations	576,116,412	147,332,664
Direct Taxes Paid	(65,696,937)	(46,525,962)
Income Tax Refund For Earlier Years	-	43,610
Net Cash From Operating Activities (A)	510,419,475	100,850,312
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(163,784,784)	(135,742,138)
Proceeds From Sale of Fixed Assets	52,642,954	39,505,438
Purchase of Investment	-	(12,524,000)
Dividend/ Interest Received	1,429,678	1,112,019
Rent Received	172,875	119,000
Decrease / (Increase) In Capital W.I.P.	3,443,790	61,685,460
Pre-Operative Expenses	-	-
Net Cash From Investing Activities (B)	(106,095,487)	(45,844,221)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase/(Decrease) in Borrowings	(287,207,091)	(37,109,446)
Interest Paid	(22,105,870)	(27,607,381)
Dividend Paid	(29,237,963)	(17,447,312)
Received/Expended During the year	2,259,000	(243,260)
Tax on Distributed Profits	(4,941,951)	(2,965,170)
Net Cash From Financing Activities (C)	(341,233,875)	(85,372,569)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	63,090,113	(30,366,478)
Cash & Cash Equivalents at the beginning of the year	31,229,271	61,595,749
Cash & Cash Equivalents at the end of the year	94,319,384	31,229,271

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CA D. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

Schedules to the Accounts		(Amount in Rs.)
Particulars	As at 31.03.2010	As at 31.03.2009
Schedule "1" Share Capital		
Authorised		
15,000,000 (Previous year 15,000,000) equity shares of Rs.10/- each	<u>150,000,000</u>	<u>150,000,000</u>
Issued, Subscribed, Called Up & Paid Up :		
11,631,541 (Previous year 11,631,541) equity shares of Rs. 10/- each fully paid up.	<u>116,315,410</u>	<u>116,315,410</u>
Out of above :		
i) 3,19,297 (Previous year 3,19,297) equity shares were issued as fully paid up shares by capitalising the reserves.		
ii) 12,72,222 (Previous year 12,72,222) equity shares have been issued for consideration received otherwise than in Cash.		
iii) 14,00,170 (Previous year 14,00,170) equity shares were issued by way of conversion of Debentures.		
Schedule "2" Reserves & Surplus		
Capital Reserve		
Balance as per last Balance Sheet	<u>33,701,108</u>	<u>33,701,108</u>
Securities Premium Account		
Balance as per last Balance Sheet	<u>234,208,790</u>	234,452,050
Add: Share Issue/Preliminary Expenses / Refund of Security Deposit	<u>2,259,000</u>	
Less: Share Issue/Preliminary Expenses	<u>-</u>	<u>243,260</u>
	<u>236,467,790</u>	<u>234,208,790</u>
General Reserve		
Balance as per last Balance Sheet	<u>11,082,000</u>	10,782,000
Add : Transferred from Profit & Loss Account	<u>25,875,000</u>	<u>300,000</u>
	<u>36,957,000</u>	<u>11,082,000</u>
Profit and Loss Account		
Transferred from Profit & Loss Account	<u>392,667,522</u>	<u>243,572,531</u>
Schedule "3" Secured Loans	<u>699,793,420</u>	<u>522,564,429</u>
Loans and Advances from Banks		
- Term Loans	<u>56,496,766</u>	106,854,715
- Cash Credit Facilities	<u>-</u>	<u>104,139,344</u>
Hire Purchase Loans		
- From Banks	<u>335,223</u>	405,029
- From Body Corporate	<u>621,162</u>	<u>1,427,025</u>
	<u>57,453,151</u>	<u>212,826,113</u>

Note:-

- 1) Term Loans in Holding company from Corporation Bank (Previous Year from The Royal Bank of Scotland NV) are Secured against mortgage of Land, Building Hypothecation of Plant and Machinery.
- 2) Term Loans in Subsidiary company from Corporation Bank (Previous Year from The Royal Bank of Scotland NV) are Secured by way of first charge against all movable fixed assets, equitable mortgage on Freehold Land, Building and Corporate Guarantee of Holding Company.
- 3) Cash Credit facilities from Corporation Bank (Previous Year from The Royal Bank of Scotland NV) is secured against Hypothecation of Inventories & Book debts.
- 4) Hire purchase loans from banks and from Body Corporate are secured by way of hypothecation of the respective vehicles acquired out of the proceeds thereof..
- 5) Amount due within one year:-
 - Term Loans Rs. 39,508,833/- (Previous Year Rs. 52,055,140/-)
 - Hire Purchase Loans from Bank Rs. 277,623/- (Previous Year Rs. 427,913/-)
 - Hire Purchase Loans from Body Corporate Rs. 497,497/- (Previous Year Rs. 447,756/-)

Schedules to the Accounts

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule "4" Unsecured Loans		
Loan from others	839,588	839,588
Deferral Payment Of Sales Tax	12,050,000	12,050,000
	<u>12,889,588</u>	<u>12,889,588</u>
Schedule "5" Deferred Tax Liability		
Balance as per last Balance Sheet	58,340,761	60,414,761
Add: Transferred from Profit & Loss Account	2,882,643	(2,074,000)
	<u>61,223,404</u>	<u>58,340,761</u>

Schedule "6" Fixed Assets

(Amount in Rs.)

Name of the Assets	GROSS BLOCK					DEPRECIATION/AMORTIZATION				NET BLOCK	
	As at 01.04.2009	Additions	Sales/ Adjustments	Adjustments Amortisation	As at 31.03.2010	Upto 31.03.2009	For the year	Sale / Adjustments	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
TANGIBLE											
Free Hold Land	14,691,714	12,500	-	-	14,704,214	-	-	-	-	14,704,214	14,691,714
Lease Hold Land	73,062,714	21,390,095			94,452,809	736,689	511,511		1,248,200	93,204,609	72,326,025
Buildings	196,038,153	31,980	-	-	196,070,133	24,543,232	6,324,820	-	30,868,052	165,202,081	171,494,921
Plant & Machinery	567,747,729	102,169,582	(54,466,874)	-	615,450,437	135,859,154	46,758,426	(660,085)	181,957,495	433,492,942	431,888,576
Furniture & Fixtures	13,543,747	282,117	-	-	13,825,864	5,877,228	763,184	-	6,640,412	7,185,452	7,666,519
Office Equipments	3,510,527	108,542	-	-	3,619,069	868,006	149,856	-	1,017,862	2,601,207	2,642,521
Vehicles	11,215,534	-	-	-	11,215,534	3,728,847	978,600	-	4,707,447	6,508,087	7,486,687
Computers	12,740,617	2,080,810	-	-	14,821,427	7,254,185	1,381,866	-	8,636,051	6,185,376	5,486,432
TANGIBLE R & D											
Plant & Machinery	3,059,986	3,346,962			6,406,948	72,243	182,241		254,484	6,152,464	2,987,743
Furniture & Fixtures	120,947	29,799			150,746	2,474	7,925		10,399	140,347	118,473
Office Equipments	252,676	-			252,676	313	12,002		12,315	240,361	252,363
Vehicles	557,779	-			557,779	31,793	52,989		84,782	472,997	525,986
Computers	287,422	354,909			642,331	20,508	58,900		79,408	562,923	266,914
INTANGIBLE											
Computer Software	1,038,960	2,046,014	(4,222)		3,080,752	569	444,046		444,615	2,636,137	1,038,391
Technical Know How Fee	11,410,333	14,948,633	-	-	26,358,966	5,154,265	2,397,408	-	7,551,672	18,807,294	6,256,068
Grand Total	909,278,839	146,801,943	(54,471,096)	-	1,001,609,686	184,149,507	60,023,774	(660,085)	243,513,195	758,096,491	725,129,332
Previous Year	814,025,191	136,392,835	(41,139,187)	-	909,278,839	142,988,650	43,455,445	(2,294,288)	184,149,507	725,129,332	671,036,541

Lumax Auto Technologies Ltd.

Particulars	(Amount in Rs.)	
	As at 31.03.2010	As at 31.03.2009
Schedule "7" Investments		
Unquoted - Long Term		
20 (Previous year 20) equity shares of Rs.50 /- each fully paid up of. Rupee Co-Operative Bank Ltd.	1,000	1,000
In Joint Venture Company	26,471,500	26,471,500
26,47,150 (Previous year 26,47,150) equity shares of Rs. 10/- Each fully paid up of Lumax Cornaglia Auto Technologies Pvt. Ltd.	<u>26,472,500</u>	<u>26,472,500</u>
Schedule "8" Inventories		
Stock in Trade (as taken, valued & certified by the management)		
Raw Material & Components	95,357,688	121,277,217
Consumable	3,960,636	3,378,502
Packing Material	904,495	644,392
Finished Goods	43,134,678	62,091,185
Work In Progress	10,330,373	8,003,760
Stock In Transit	2,239,708	267,864
	<u>155,927,578</u>	<u>195,662,920</u>
Schedule "9" Sundry Debtors		
Debts outstanding for a period exceeding six months		
Unsecured, considered good	10,036,057	16,149,067
Unsecured, considered doubtful	2,865,171	-
Other debts	714,173,101	451,292,376
Less : Provision for Doubtful debts	2,865,169	-
	<u>724,209,160</u>	<u>467,441,443</u>
Schedule "10" Cash & Bank Balances		
Cash on Hand	885,536	498,803
Balance with Scheduled Banks		
- On Current Accounts	79,592,612	21,461,679
- On Fixed Deposit Accounts	13,841,236	9,268,789
	<u>94,319,384</u>	<u>31,229,271</u>
Schedule "11" Other Current Assets		
Interest Receivable on Fixed Deposits	<u>2,468,661</u>	<u>1,804,650</u>
Schedule "12" Loans and Advances		
Unsecured, Considered Good		
Advances recoverable in cash or kind	175,159,419	109,224,075
Security Deposits	31,213,765	30,741,455
Unsecured, Considered Doubtful		
Advances recoverable in cash or kind	4,092,285	-
Security Deposits	500,000	-
Less : Provision for Doubtful Loans & Advances	4,592,285	-
	<u>206,373,184</u>	<u>139,965,530</u>

Schedules to the Accounts

(Amount in Rs.)

Particulars	As at 31.03.2010	As at 31.03.2009
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Schedule "13" Current Liabilities

Sundry Creditors		
a) Micro, Small & Medium Enterprises	1,259,847	32,829
b) Others	765,215,765	534,785,221
Outstanding Expenses	66,852,134	36,598,890
Advances received from customers	43,715,377	1,929,000
Unclaimed Dividend	55,224	214,222
	<u>877,098,347</u>	<u>573,560,162</u>

Schedule "14" Provisions

Taxation	111,196,833	72,847,600
Proposed Dividend	34,894,623	17,447,312
Tax on Proposed Dividend	5,795,561	2,965,170
Fringe Benefit Tax	1,072,120	2,132,120
Provision for Earn Leave	2,765,153	2,056,611
Provision for Gratuity	2,413,223	1,893,944
Wealth Tax	15,450	15,450
	<u>158,152,963</u>	<u>99,358,207</u>

**Schedule "15" Miscellaneous Expenditure to the extent not written off or adjusted
Deferred Revenue Expenditure**

Balance as per last Balance Sheet	1,128,750	2,257,500
Less: Written off during the year	<u>1,128,750</u>	<u>1,128,750</u>
	<u>-</u>	<u>1,128,750</u>

Schedules to the Accounts

(Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
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Schedule "16" Turnover

Turnover (Gross)	<u>4,326,347,706</u>	<u>3,206,954,031</u>
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Schedule "17" Other Income

Miscellaneous Income	2,518,419	3,528,350
Interest Received	1,429,678	1,112,019
(T.D.S. Rs.125,136/- Previous year Rs 118,330/-)		
Discount Received	916,036	464,597
Rent received	141,025	119,000
Exchange difference	3,660,604	-
Excess Provision Written Back	135,036	1,771,335
	<u>8,800,798</u>	<u>6,995,301</u>

Schedule "18" Material Consumed

Opening Stock of raw material	121,277,217	120,541,874
Add : Purchases during the year	1,929,531,208	1,203,620,129
	<u>2,050,808,425</u>	<u>1,324,162,003</u>
Less : Closing Stock of raw material	95,357,688	121,277,217
	<u>1,955,450,737</u>	<u>1,202,884,786</u>

Lumax Auto Technologies Ltd.

Schedules to the Accounts

(Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Schedule "19"		
Decrease/(Increase) In Inventories		
Closing Inventories :		
Work In Progress	10,330,373	8,003,760
Stock In Transit	2,239,708	267,864
Finished Goods	43,134,678	62,091,185
	<u>55,704,759</u>	<u>70,362,809</u>
Opening Inventories :		
Work In Progress	8,003,760	8,360,429
Stock In Transit	267,864	240,531
Finished Goods	62,091,185	55,070,500
	<u>70,362,809</u>	<u>63,671,460</u>
Decrease/(Increase) In Inventories	<u>14,658,050</u>	<u>(6,691,349)</u>
Schedule "20" Manufacturing Expenses		
Miscellaneous Manufacturing Expenses	4,076,337	841,181
Packing Material Consumed	18,424,620	11,414,013
Consumables	46,252,166	42,890,148
Job-Work	49,865,755	27,108,299
Labour Charges (Contract)	22,263,796	18,956,929
Electricity, Light & Power	50,357,711	37,269,902
Freight and Cartage	15,697,773	7,663,113
Water Charges	578,205	446,692
Excise Duty on Finished Goods	159,631	(1,592)
Repairs & Maintenance - Plant & Machinery	7,193,176	3,701,915
	<u>214,869,170</u>	<u>150,290,600</u>
Schedule "21" Personnel Expenses		
Wages & Salaries	138,175,887	111,875,993
Bonus	4,687,573	5,271,755
Provident Fund Contribution	7,043,900	6,686,145
Welfare Expenses	10,283,785	6,927,161
E.S.I. Contribution	371,210	408,017
Gratuity/Group Gratuity	2,224,161	3,528,946
Directors' Remuneration	1,320,000	1,210,000
Commission to Director	14,360,460	-
	<u>178,466,976</u>	<u>135,908,017</u>
Schedule "22" Administrative Expenses		
Rent, Rates & Taxes	4,685,116	4,263,814
Repairs to Buildings	2,847,353	2,035,754
Repairs to Others	3,858,379	2,806,458
Insurance Charges	1,622,546	1,393,279
Travelling & Conveyance	8,173,892	7,410,460
Security Charges	4,650,038	4,010,520
Printing & Stationery	2,110,641	1,982,155
Postage & Telephones	3,097,935	3,895,816
Office Expenses	257,100	155,035
Advertisement	216,990	622,371
Profession Tax (Factory)	2,500	2,500
Vehicle expenses	2,898,330	2,444,701
Legal & Professional Fees	5,090,821	3,082,056



AUTO TECHNOLOGIES

Schedules to the Accounts

(Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Schedule "22" (Contd.)		
Carriage Outward	46,268,589	34,381,866
Breakage & Sales Incentive	33,553,317	25,766,312
Discounts	10,083,077	8,046,349
Amount Written Off	-	46,353
Miscellaneous Expenses	8,270,736	7,974,285
Deferred Revenue Expenses Written Off	1,128,750	1,128,750
Royalty	4,053,467	3,630,067
Meeting Fees	61,000	64,500
Commission To Selling Agent	1,454,032	1,437,093
Bad & doubtful debts/advances written off	451,804	9,344,404
Provision for doubtful debts/advances	7,457,454	-
Loss on Sale of Assets	1,168,056	332,516
Foreign Exchange Difference	-	5,938
	<u>153,461,923</u>	<u>126,263,352</u>
Schedule "23" Financial Expenses		
Interest on Term Loans	9,113,057	11,448,561
Interest on Working Capital Advance	7,949,629	11,855,458
Interest Paid to Others	902,539	1,038,615
Bank Charges	4,140,645	3,264,747
	<u>22,105,870</u>	<u>27,607,381</u>
Schedule "24" Research & Development Expenses		
Salaries and Allowances	3,720,880	3,702,063
Contribution to ESI and PF	-	186,471
Staff Welfare	-	3,835
Gratuity Expenses	-	184,860
Earned Leave Expenses	-	170,294
Medical Reimbursement	-	102,408
Leave Travel Allowance	-	102,404
Postage & Telephone	-	71,342
Travelling & Conveyance	-	512,545
Vehicle Maintenance	-	158,947
Prototype-RM	-	152,676
Books & Periodicals	-	8,585
Repair & Maintenance	-	242,618
Repair to Machinery	-	14,495
Electricity Charges	-	8,282
Consumable Store	-	5,218
Freight & Cartage	-	1,200
Printing & Stationery	-	1,233
Financial Expenses	33,692	-
Raw Material Consumed	2,770,968	-
Misc. Expenses	1,805,520	-
Depreciation	-	127,900
Less Misc. Receipts	<u>(1,886,285)</u>	<u>5,757,376</u>
	<u>6,444,775</u>	<u>5,757,376</u>

Lumax Auto Technologies Ltd.

Schedule "25":

Notes To Consolidated Accounts

1. Significant Accounting Policies:

A) Basis of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

B) Fixed Assets :

Fixed Assets are stated at cost net of CENVAT, Cess, Deferred Excise Duty and VAT set-off less accumulated depreciation. Cost includes purchase cost together with inward freight, duties, taxes and incidental cost of acquisition and installation and eligible borrowing costs and also includes pre-operative expenses incurred during the construction, trial and stabilization period, up to the period such assets are put to commercial use.

C) Depreciation:

Depreciation on Fixed Assets is provided on Straight Line Method at the rates as provided under Schedule XIV of the Companies Act, 1956.

D) Intangible Assets and Amortisation:

Intangible assets are recognised as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India and are amortised as follows:

- (a) Leasehold land: over the period of lease
- (b) Specialised software: Over the Estimated Economic useful life.
- (c) Technical Knowhow : technical assistance over the period of 5 to 8 years as the case may be.

E) Investments:

- a) Current Investments are valued at cost or market price whichever is lower.
- b) Long Term Investments are valued at cost less permanent diminution if any.

F) Inventories:

- a) Raw Materials including components, consumables & packing material are valued at cost after making provision for obsolescence wherever necessary. Cost is determined on First-in-First-Out (FIFO) basis.
- b) Work in Progress is valued at estimated Cost.
- c) Goods purchased for resale & other finished goods are valued at lower of the cost or net realizable value.
- d) Scrap is valued at estimated realizable value.

G) Deferred Revenue Expenditure For Subsidiary Company :

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

H) Revenue Recognition:

- a) Sale of goods is recorded when supply of goods takes place in accordance with the terms of Sale. It includes Excise Duty but excludes Trade Discount and Sales Tax.
- b) Interest income is recognized on accrual basis.
- c) Revenue from logistics activity is recognized on the basis of contract entered into by the company on accrual basis.

I) Employees' Retirement Benefits:

For Holding Company:

- a) The Company's contribution to Provident Fund is charged to Profit & Loss Account.
- b) The Company's contribution to Gratuity Fund of Life Insurance Corporation of India is charged to Profit & Loss Account on the basis of scheme subscribed by the Company. The contribution is provided on the basis of actuarial valuation.
- c) The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for future encashment subject to certain limits. The liability is provided based on the number of days of unutilised leave at balance sheet date on the basis of an independent actuarial valuation.

For Subsidiary Company:

- a) Short Term Employee Benefits:
Short Term employee benefits are recognized in the period during which the services have been rendered.
- b) Long Term Employee Benefits:

i) Defined Contribution Plan

Provident Fund and Employees' State Insurance schemes. All employees of the Company are entitled to receive benefits under the Provident Fund, which is defined in the contribution plan. Both the employees and the employer make monthly contributions to the plan at a predetermined rate (presently 12 %) of the Employees' Basic Salary and Dearness Allowance. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the company are covered under the Employees State Insurance Scheme which are also defined in the contribution scheme recognized and administered by the Government of India. The Company's contributions to both these schemes are expressed in the Profit and Loss Account. The Company has no further obligations under plans beyond its monthly contributions.

ii) Defined Benefit Plan

Leave Encashment- Liability on account of unavailed Earned Leave at the year end is provided as per the actuarial valuation according to Projected Unit Credit Method.

Gratuity- Liability on account of Gratuity at the year end is provided as per the actuarial valuation according to the Projected Unit Credit Method.

iii) Actuarial gains and losses are recognized as and when incurred.

J) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of assets. All other borrowing costs are recognized as expense in the year in which they are incurred.

K) Cash Flow Statement :

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

L) Taxes on Income:

- a) Income Tax expenses for the period comprise of Current Tax, Deferred Tax & Fringe Benefit Tax.
- b) Current Tax & Fringe Benefit Tax are the amounts of tax payable on the taxable income/expenses for the year determined in accordance with the provisions of the Income Tax Act, 1961.
- c) Deferred Tax is recognized, on the timing differences, being the difference between accounting income and taxable income, which originates in one period and are capable of reversal in one or more subsequent accounting periods in accordance with provisions of Accounting Standard 22 on "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. Deferred Tax Asset in respect of brought forward losses is recognized as if there is virtual certainty that there will be sufficient future taxable income against which such asset can be realized.
- d) Wealth Tax is the amount of tax payable on the taxable wealth as at the date of Balance Sheet.

Lumax Auto Technologies Ltd.

M) Translation of Foreign Currency items

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.
- b) Monetary items denominated in foreign currency are reported using the closing exchange rate on each Balance Sheet date.

N) Segment Reporting

For Holding Company :

The Company has considered 'Business Segment' as the primary segment for disclosure. Further, since the company is engaged in the manufacturing of "Automotive Parts", in the opinion of the Management, the Company operates in one primary segment only.

For Subsidiary Company :

The Company operates in two primary segments viz. "Automotive Parts", and "Trading" of Motor Adjusters.

O) Accounting for Interests in Joint Ventures:

Interests in Joint Ventures are accounted as follows:

Type of Joint Venture	Accounting Treatment
Jointly Controlled Entities	<ol style="list-style-type: none"> a) Income on investments in incorporated Jointly Controlled Entities is recognised when the right to receive the same is established. b) Investment in such Joint Ventures is carried at cost after providing for any permanent diminution in value.

P) Pre-Operative Expenditure:

The expenditure incurred by the Subsidiary Company from the date of setting up of a new unit, up to the date of commencement of commercial production of the unit is treated as Pre-operative expenditure to be capitalized as a part of the indirect cost of construction. The amount of such expenditure is to be apportioned over the individual assets in an equitable manner. The amount not directly attributable to fixed assets are charged to the Profit and Loss account in the year in which such expenditure is incurred.

Q) Provisions and Contingent Liabilities:

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- i) The Company has a present obligation as a result of a past event,
- ii) A probable outflow of resources is expected to settle the obligation; and
- iii) The amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

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

2. Contingent Liabilities not provided for :

(Rs. in Lacs)

S. No.	Particulars	2009-10	2008-09
i)	For Income Tax demand Assessment Year 2002-03	Nil	0.40
ii)	For Income Tax demand Assessment Year 2006-07	Nil	0.31
iii)	For Income Tax demand Assessment Year 2007-08, Company has filed an appeal with CIT (Appeal)	152.62	Nil
iv)	Excise demand for Interest on Supplementary invoice for the period January 2003 to March 2007	Nil	1.96
v)	Employee State Insurance Demand (for Subsidiary)	1.92	1.92

Based on the favorable decisions in similar cases/legal opinions taken by the Company, the company believes that it has good cases in respect of the items listed under (iii) and (v) above and hence no provision there against is considered necessary.

- 2 a. Capital Commitment Net of Advance Rs. 367.39 Lacs (Previous year 394.22Lacs)
3. Details in respect of Opening Stock, Turnover & Closing Stock of Finished Goods (Including Traded Goods) : **As Per Annexure-A** (Certified by Management).
4. Details in respect of Consumption of Raw Materials, Consumables and Purchase of Traded goods : **As per Annexure –B** (Certified by Management).
5. In terms of Paragraph-3 Part-II of Schedule VI of the Companies Act 1956, quantity wise disclosure have been restricted to those items/articles which individually account for 10% or more of the total Sales, Consumption as the case may be and the same is disclosed to the extent available and considered as compiled and certified by the management.
6. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Sundry Creditors as defined under the Micro, Small and Medium Enterprises Development Act, 2006(MSMED) have been identified to the extent of information available with the company . This has been relied upon by the auditors.

Year ended March 31, 2010 (Amount in Rs.)

S.No	Particulars	Principal	Interest	Total
A	The outstanding dues to micro small and medium enterprises.	1,259,847 (32,829)	- (-)	1,259,847 (32,829)
B	Principal amount and Interest due thereon remaining unpaid as at end of the year	1,259,847 (32,829)	9,319 (167)	1,269,166 (32,996)
C	Amount of Interest paid in terms of Section 16 of MSMED Act along with the amount of the payment made to supplier beyond appointed day	- (-)	- (-)	- (-)
D	Outstanding Interest (Where principal amount has been paid off to the supplier but interest amount is outstanding as on March 31, 2010)	- (-)	41,064 (1,720)	41,064 (1,720)
E	Total Interest out standing as on March 31, 2010 (Interest in 'B' + interest in 'D' above)	- (-)	50,383 (1,887)	50,383 (1,887)

7. In previous year, the Holding Company has adopted the Accounting Standard AS-15 (Revised) which is mandatory from Accounting Period commencing on or after December 07, 2006. The Company has provided for Employee Benefits on actuarial valuation as per Projected Unit Credit Method, using principles laid under Accounting Standard 15 (Revised).
8. Employee Benefits
 - (a) During the year, the Company has recognized the following amounts in the Profit and Loss Account: Defined Contribution Plans

(Amount in Rs.)

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Employer's Contribution to Provident Fund	7,043,900	6,580,545
Employer's Contribution to Employee State Insurance	630,267	755,137

Lumax Auto Technologies Ltd.

Defined Benefit Plans

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2010	Year Ended 31.03.2009	Year Ended 31.03.2010	Year Ended 31.03.2009
Current Service Cost	1,200,666	1,145,813	1,378,567	1,349,462
Interest Cost	894,495	643,477	370,684	259,055
Expected Return on Plan Assets	(884,678)	-	(361,620)	-
Actuarial (Gain) / Loss	973,988	1,306,983	274,359	(145,096)
Short Term	-	-	-	450,867
Net Cost	2,184,471	3,096,273	1,661,990	1,914,288

(b) The assumptions used to determine the Benefit Obligations are as follows:

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2010	Year Ended 31.03.2009	Year Ended 31.03.2010	Year Ended 31.03.2009
Discount Rate				
i. Holding Company	8.00%	8.00%	8.00%	8.00%
ii. Subsidiary Company	8.50%	7.50%	8.50%	7.50%
Expected Rate of increase in Compensation Levels				
i. Holding Company	5.00%	5.00%	5.00%	5.00%
ii. Subsidiary Company	10.00%	10.00%	10.00%	10.00%
Expected Rate of Return on Plan Assets				
i. Holding Company	N.A.	N.A.	N.A.	N.A.
ii. Subsidiary Company	N.A.	N.A.	N.A.	N.A.
Expected Average remaining working lives of Employees (years)				
i. Holding Company	N.A.	N.A.	N.A.	N.A.
ii. Subsidiary Company	27.87	27.06	26.87	27.06

(c) Reconciliation of Opening and Closing Balances of Benefit Obligations and Plan Assets

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2010	Year Ended 31.03.2009	Year Ended 31.03.2010	Year Ended 31.03.2009
Change in Projected Benefit Obligation (PBO)				
Beginning of year	11,132,93	8,195,446	4,592,094	3,344,426
Current Service Cost	1,200,666	1,145,813	1,378,567	1,349,462
Interest Cost	894,495	643,477	370,684	259,055
Benefits Paid	(299,002)	(158,780)	(331,101)	(215,753)
Actuarial (Gain) / Loss	973,988	1,306,983	274,359	(145,096)

Projected Benefit obligation at year end & change in Plan Assets:
(Amount in Rs.)

Fair value of plan Assets at year end - Long Term	11,489,863	9,364,082	6,284,603	4,167,147
Fair value of plan Assets at year end_ Short Term	12,360,079	-	6,124,890	450,867
Net funded status of the plan	870,216	9,364,082	4,041,115	4,618,014
Net amount Recognized	1,543,007	11,258,026	1,489,191	4,618,014

Note:- Provision for Gratuity is made in the books and does not take into effect the application of changes vide Gazette Notification No.15/2010, as the effective date of changes are yet to be notified by the Central Government.

9. 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 Company, is as given below:

Name of the Joint Venture Company	Country of Incorporation	Proportion of Ownership interest	Description of Interest
Lumax Cornaglia Auto Technologies Private Limited	India	50%	JV is established principally for manufacture, assembly and sale automotive components

The Company's share in the aggregate amounts to each of the assets, liabilities, income, expenses, capital commitments and contingent liabilities as at / for the year ended 31st March 2010 and 31st March 2009 are as under:

(Amount in Rs.)

Proportion of Company's Interest in Joint Venture	2009-10 Unaudited	2008-09 Audited
Assets	53,423,081	37,407,439
Liabilities	24,083,932	10,526,052
Income	37,729,347	19,522,954
Expenses	34,103,918	18,465,855
Capital Commitments	3,305,000	4,817,500
Contingent Liabilities	-	-

10. Subsequent to Accounting Standard 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, Deferred Tax expense of Rs.2,082,643/- for the period is recognized in the Profit & Loss Account. The significant components of the Deferred Tax Liability as on 31st March 2010 are:-
(Amount in Rs.)

S.No.	Particulars	As At 31.03.2010	As At 31.03.2009
1.	Deferred Tax Liability		
	i) Depreciation	65,114,511	66,362,775
	ii) Deferred Revenue Expenditure	-	3,83,662
	Total	65,114,511	66,746,437
2.	Deferred Tax Asset		
	i) Provision for Doubtful Debts	2,477,180	-
	ii) Disallowance u/s 43B	1,216,052	2,381,739
	iii) Disallowance u/s 40 (a) (ia)	1,97,875	17,540
	iv) Unabsorbed Depreciation	-	6,006,397
	Total	3,891,107	8,405,676
	Deferred Tax Liability(Net) (1 – 2)	61,223,404	58,340,761

Lumax Auto Technologies Ltd.

11. Information Regarding Licensed, installed capacity and production (As certified by the Management):

For Holding Company

S. No.	Class of Goods Manufactured	Licensed Capacity Qty. (Nos.)	Installed Capacity Qty. (Nos.)	Production Qty. (Nos.)
1	Head Lamp Assembly	N.A. N.A.	1,325,000 (1,325,000)	1,309,557 (1,320,954)
2	Tail Lamp Assembly	N.A. N.A.	30,000 (30,000)	24,542 (15,830)
3	Silencer Assembly	N.A. N.A.	20,000 (20,000)	8,976 (18,926)
4	Frame / Chassis	N.A. N.A.	475,000 (400,000)	459,782 (362,731)
5	Fork Flap / Lamp Shed	N.A. N.A.	- (-)	980,020 (-)
6	Wind Shield Ct-100/ Platina	N.A. N.A.	450,000 (450,000)	354,399 (433,334)
7	Revolving Light	N.A. N.A.	20,000 (-)	12,500 (-)
8	Seat Frame	N.A. N.A.	30,000 (-)	20,378 (-)

For Subsidiary Company

S. No.	Class of Goods Manufactured	Licensed Capacity Qty. (Nos.)	Installed Capacity Qty. (Nos.)	Production Qty. (Nos.)
1	Gear Shifter Assembly	N.A. N.A.	2,000,000 (800,000)	1,399,548 (783,652)
2	Moulding	N.A. N.A.	9,000,000 (7,200,000)	7,785,869 (6,897,603)
3	Parking Brake	N.A. N.A.	500,000 (275,000)	360,113 (251,459)
4	Head Lamp Assembly & Head Lamp	N.A. N.A.	2,000,000 (1,000,000)	763,888 (356,563)
5	Tail Lamp Assembly & Tail Lamp	N.A. N.A.	2,000,000 (1,000,000)	942,510 (374,723)

12. Value of Imports calculated on CIF basis

(Amount in Rs.)

S. No.	Particulars	Year ended 31.03.2010	Year ended 31.03.2009
1	Raw Material	129,657,068	93,941,484
2	Components, Spare Parts & Consumables	22,238,585	2,345,030
3	Purchase of Finished Goods	-	666,777
4	Capital Goods & Accessories	27,147,183	24,867,418
	Total	179,042,836	121,820,709

13. Payment to Auditors:
(Amount in Rs.)

S. No.	Particulars	Year ended 31.03.2010	Year ended 31.03.2009
1	For Audit & Tax Audit Fees	781,200	774,000
2	For Other Services	294,880	142,842
	Total	1,076,080	916,842

14. Payment to Directors
(Amount in Rs.)

S. No.	Particulars	Year ended 31.03.2010	Year ended 31.03.2009
1	Remuneration	1,320,000	1,210,000
2	Provident Fund Contribution	158,405	145,200
3	Commission	14,360,460	-
4	Others	523,139	277,469
	Total	16,362,004	1,632,669

15. Segment Reporting:

The group has disclosed Business Segment as the primary segment. Segments have been identified by the Management taking into account the nature of the products, manufacturing process, risk and reward parameters, Internal financial reporting systems and other relevant factors.

Automotive Parts includes Gear Shifter Assembly, Parking Brake, Automotive Lights and Plastic Mouldings.

Trading Activities includes Motor Adjusters.

Lumax Auto Technologies Ltd.

(Amount in Rs.)

S. No.	Reportable Segments	Automotive Parts	Trading	Consolidated
1.	Segment Revenue			
	a) External Revenue	4,001,209,292 (2,585,026,053)	176,909,508 (425,982,519)	4,178,118,800 (3,011,008,572)
	b) Inter Segment Revenue	- (-)	- (-)	- (-)
	c) Total Revenue	4,001,209,292 (2,585,026,053)	176,909,508 (425,982,519)	4,178,118,800 (3,011,008,572)
2.	Segment Results			
	a) (Profit/Loss)	260,075,959 (108,295,825)	35,528,324 (69,119,516)	295,604,283 (177,415,341)
	b) Unallocated Expenses			8,496,059 (13,624,753)
	c) Profit Before Tax			287,108,224 (163,790,588)
	d) Income Tax			57,839,615 (49,830,170)
	e) Profit after tax			229,268,609 (113,960,418)
3.	Other Information			
	a) Segment Assets	1,948,119,615 (1,474,477,274)	- (114,196,638)	1,948,119,615 (1,588,673,912)
	b) Un-allocable Assets	- (-)	- (-)	34,806,668 (4,465,008)
	c) Total Assets	1,948,119,615 (1,474,477,274)	- (-114,196,638)	1,982,926,283 (-1,593,138,920)
	d) Segment Liabilities	1,166,817,453 (889,739,688)	- (65,648,143)	1,166,817,453 (955,387,831)
	e) Un-allocable Liabilities	- (-)	- (-)	- (-)
	f) Total Liabilities	1,166,817,453 (889,739,688)	- (65,648,143)	1,166,817,453 (955,387,831)
	g) Capital Expenditure	146,801,943 (136,392,835)	- (-)	146,801,943 (136,392,835)
	h) Capital Expenditure (Including CWIP & Pre-Operative Expenses)	15,059,325 (7,020,273)	- (-)	15,059,325 (7,020,273)
	i) Depreciation	60,023,774 (43,327,245)	- (-)	60,023,774 (43,327,245)
	j) Non-cash expenses other than depreciation	1,128,750 (1,128,750)	- (-)	1,128,750 (1,128,750)

16. Related Party Disclosures:

The information about transactions with the related parties is attached herewith - As Per **Annexure - C**

17. Earning / Outgo In Foreign Currency (on accrual basis) :

(Amount in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Payment in Foreign Currency		
Testing Fee	8,444,928	-
Royalty	4,053,467	3,630,067
Commission to Agents	804,422	497,862
Travelling	936,165	829,452
Total	14,238,982	4,957,381
Earning in Foreign Currency	46,920,239	21,665,914

18. The total expenditure incurred on Research and Development:

(Amount in Rs.)

Nature of Expenses	Year ended 31.03.2010	Year ended 31.03.2009
Expenditure charged to profit and loss account (Salary allowances & Other expenses)	3,391,652	5,989,692
Expenditure capitalized during the year	-	4,417,930

For Subsidiary Company:-Revenue expenditure on research & development is charged under respective heads of account. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same as other fixed assets

19. Balance confirmation letters have not been obtained from some of the parties.

20. Previous year's figures have been regrouped or rearranged wherever necessary to make them comparable with the current year's figures.

As per our report of even date
For D. R. Barve & Company
Chartered Accountants

For and on behalf of the Board of Directors of Lumax Auto Technologies Ltd.

CA D. R. Barve
Proprietor
Membership No. 17661

D. K. Jain
Chairman

Usha Jain
Managing Director

Place : Gurgaon
Date : May 22, 2010

Ashish Dubey
Head Finance

Raju Bamane
Company Secretary

Lumax Auto Technologies Ltd.

Annexure "A" Attached to Notes to Accounts

A) Details in Respect of Opening Stock, Turnover and Closing Stock of Finished Goods (Including Traded Goods).

S. No	Class of Goods	Opening Stock		Sales		Closing Stock	
		Qty (Nos.)	Value (Rs.)	Qty (Nos.)	Value (Rs.)	Qty (Nos.)	Value (Rs.)
1	Head Lamp Assembly	72,811 (47,842)	21,570,261 (8,595,939)	4,919,855 (3,926,037)	1,613,435,369 (788,566,415)	41,625 (72,811)	12,135,156 (21,570,261)
2	Tail Lamp Assembly	36,492 (29,018)	6,430,772 (4,871,313)	1,658,244 (945,099)	423,360,849 (236,761,226)	29,631 (36,492)	5,113,222 (6,430,772)
3	Gear Shifter Assembly	- (-)	- (-)	1,399,548 (783,652)	314,360,025 (219,650,611)	- (-)	- (-)
4	Moulding	- (1,823)	- (12,628)	7,785,869 (6,899,426)	249,591,594 (217,769,319)	- (-)	- (-)
5	Parking Brake	- (-)	- (-)	360,113 (251,459)	58,073,502 (43,023,725)	- (-)	- (-)
6	Silencer Assembly	- (-)	- (-)	8,976 (18,926)	7,928,080 (20,352,724)	- (-)	- (-)
7	Frame / Chassis	- (-)	- (-)	459,782 (362,731)	370,398,739 (334,649,923)	- (-)	- (-)
8	Fork Flap / Lamp Shed	- (-)	- (-)	980,020 (-)	59,369,461 (-)	- (-)	- (-)
9	Wind Shield CT-100/ Platina	- (-)	- (-)	354,399 (433,334)	11,991,414 (14,662,576)	- (-)	- (-)
10	Revolving Light	- (-)	- (-)	12,500 (-)	6,392,083 (-)	- (-)	- (-)
11	Seat Frame	- (-)	- (-)	20,378 (-)	7,022,508 (-)	- (-)	- (-)
12	Others	- (-)	34,090,152 (41,590,620)	- (-)	1,047,394,379 (1,128,576,752)	- (-)	25,886,300 (34,090,152)
	Total	- (-)	62,091,185 (55,070,500)		4,169,318,002 (3,004,013,271)		43,134,678 (62,091,185)

Note: It is not practicable to furnish quantitative information in view of the large number of items which differ in size and nature, each being less than 10% in value of the total.

Annexure "B" Attached to Notes to Accounts

B (i) Details for Consumption of Raw Material

FOR HOLDING COMPANY

S. No.	Name of the Item	Units	Year Ended 31.03.2010		Year Ended 31.03.2009	
			Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
1	Steel Sheet	Kgs.	953,392	34,322,121	3,092,380	111,325,662
2	Steel Tube	Mtr.	317,261	14,958,271	301,506	18,335,308
3	Steel Tube	Nos.	3,156,601	98,653,601	2,456,181	85,970,139
4	Plastic Powder	Kgs.	307,809	38,168,332	237,013	28,441,588
5	Others		-	471,556,055	-	238,645,740
	Sub Total			657,658,381		482,718,438

Annexure "B" (Contd.)

FOR SUBSIDIARY COMPANY

S. No.		Units	Year Ended 31.03.2010		Year Ended 31.03.2009	
			Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
1	Housing Assembly	Nos	427,782	32,387,385	226,055	18,758,843
2	Knob	Nos	366,786	7,381,744	489,234	12,565,274
3	Outer Boot	Nos	513,412	7,322,239	480,601	6,984,919
4	Plastic Powder	Kg	2,010,732	197,896,538	1,549,140	151,565,295
5	Sheet Metal	Nos	4,462,536	65,177,952	3,015,558	38,239,667
6	Rotula	Nos	398,833	73,465,039	257,352	46,863,799
7	Plastic Dana	Kg	958,730	110,501,038	374,813	52,860,936
8	Bulbs	Nos.	4,445,489	50,693,035	2,338,373	28,852,397
9	Cowl	Nos.	579,805	109,110,900	318,143	51,757,357
10	Fender	Nos.	308,478	22,923,610	317,858	25,238,458
11	Speedometer	Nos.	316,524	148,137,273	75,348	40,862,370
12	Head Lamp	Nos.	17,220	6,113,100	55,628	22,818,362
13	Laquer	Kg	2,021	5,628,187	2,422	6,237,491
14	PCB Assembly	Nos.	363,412	60,892,696	205,699	15,168,095
15	Stay CP B/L	Nos.	3,116,485	78,017,246	20,380	248,432
16	Blinker Assembly		284,580	6,076,164	35,004	2,283,908
17	Windshield		54,166	4,631,965	17,605	1,684,402
18	Speed Cable		266,695	9,698,311	-	-
19	Lock Kit		267,166	83,923,248	-	-
20	Others		-	217,814,686	-	197,176,343
	Sub Total			1,297,792,356		720,166,348
	Total			1,955,450,737		1,202,884,786

Value and percentage of Raw Materials and Stores Consumed :

S. No.	Particular	Raw Material		Consumable Stores	
		%	Value (Rs.)	%	Value (Rs.)
1.	Indigenous	91.91 (92.63)	1,797,324,901 (1,114,287,108)	100 (100)	46,252,166 (42,890,148)
2.	Imported	8.09 (7.37)	158,125,836 (88,597,678)	- (-)	- (-)
	Total	100 (100)	1,955,450,737 (1,202,884,786)	100 (100)	46,252,166 (42,890,148)

B (ii) Details of Purchase of Traded Goods.

(Amount in Rs.)

S.No.	Name of the Item	Purchase	
		Quantity	Amount
1.	Head Lamp Assembly	2,815,224 (2,873,489)	445,260,108 (381,490,989)
2.	Tail Lamp Assembly Rear Lamp	684,331 (562,020)	133,541,866 (108,244,780)
3.	Motor Adjusters	1,862,250 (1,726,284)	345,641,442 (352,492,335)
4.	Others	- (-)	361,117,531 (319,642,472)
	Total		1,285,560,947 (1,161,870,576)

Lumax Auto Technologies Ltd.

Annexure "C" Attached to Notes to Accounts

Details of Related Party Transactions for the Financial Year 2009-2010 in accordance with Accounting Standard - 18

S. No.	Account Head	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Venture		TOTAL	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
A)	TRANSACTIONS										
	Sale of Raw Materials and Components										
	Lumax Industries Ltd					320,563,935	17,455,699	-	-	320,563,935	17,455,699
	Deepak Auto Ltd.	-	-	-	-	4,016,079	4,544,598	-	-	4,016,079	4,544,598
	Total	-	-	-	-	324,580,014	22,000,297	-	-	324,580,014	22,000,297
	Sale of finished goods										
	Lumax Industries Ltd	-	-	-	-	615,769,834	608,048,081	-	-	615,769,834	608,048,081
	S L Lumax Ltd.	-	-	-	-	-	7,422,607	-	-	-	7,422,607
	Total	-	-	-	-	615,769,834	615,470,688	-	-	615,769,834	615,470,688
	Job work/ others										
	Lumax Industries Ltd .	-	-	-	-	616,863	1,071,432	-	-	616,863	1,071,432
	Deepak Auto Ltd.	-	-	-	-	-	73,895	-	-	-	73,895
	Total	-	-	-	-	616,863	1,145,327	-	-	616,863	1,145,327
	Purchase of Raw Materials and Components										
	Bharat Enterprises	-	-	-	-	15,644,467	13,393,293	-	-	15,644,467	13,393,293
	Lumax Industries Ltd	-	-	-	-	116,581,363	66,827,572	-	-	116,581,363	66,827,572
	Deepak Auto Ltd.	-	-	-	-	105,031,360	58,043,579	-	-	105,031,360	58,043,579
	Mahavir Udyog	-	-	-	-	460,771	559,897	-	-	460,771	559,897
	Total	-	-	-	-	237,717,961	138,824,341	-	-	237,717,961	138,824,341
	Purchase of Finished Goods										
	Lumax Industries Ltd .	-	-	-	-	339,597,432	196,102,352	-	-	339,597,432	196,102,352
	Lumax Automotive Systems Ltd.	-	-	-	-	-	(929,044)	-	-	-	(929,044)
	Lumax Filters Pvt Ltd	-	-	-	-	-	51,957	-	-	-	51,957
	Deepak Auto Ltd.	-	-	-	-	11,216,990	9,423,257	-	-	11,216,990	9,423,257
	Total	-	-	-	-	350,814,422	204,648,522	-	-	350,814,422	204,648,522
	Purchase of other & Jobwork										
	Lumax Industries Ltd	-	-	-	-	-	56,687	-	-	-	56,687
	Deepak Auto Ltd.	-	-	-	-	834,379	13,298	-	-	834,379	13,298
	Lumax Tours & Travels Ltd.	-	-	-	-	2,210,663	544,871	-	-	2,210,663	544,871
	Sheela Finance Pvt Limited	-	-	-	-	-	174,452	-	-	-	174,452
	Total	-	-	-	-	3,045,042	789,308	-	-	3,045,042	789,308
	Sale of Capital Goods										
	Lumax Cornagila Auto Technologies Pvt. Ltd	-	-	-	-	-	-	56,269	-	56,269	-
	Lumax Industries Ltd.	-	-	-	-	5,473,136	-	-	-	5,473,136	-
	Total	-	-	-	-	5,473,136	-	56,269	-	5,529,405	-
	Purchase of Capital Goods										
	Lumax Industries Ltd.	-	-	-	-	27,945,346	3,641,025	-	-	27,945,346	3,641,025
	Total	-	-	-	-	27,945,346	3,641,025	-	-	27,945,346	3,641,025

Annexure "C" (Contd.)

S. No.	Account Head	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Venture		TOTAL	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
	Lease Rent										
	Mr. Deepak Jain	540,000	540,000	-	-	-	-	-	-	540,000	540,000
	Lumax Industries Ltd.	-	-	-	-	180,000	399,000	-	-	180,000	399,000
	Mahavir Udyog	-	-	-	-	144,000	119,114	-	-	144,000	119,114
	Total	540,000	540,000			324,000	518,114	-	-	864,000	1,058,114
	Managerial Remuneration										
	Mrs. Usha Jain	960,000	880,000	-	-	-	-	-	-	960,000	880,000
	Mrs. Shivani Jain	360,000	330,000							360,000	330,000
	Total	1,320,000	1,210,000	-	-	-	-	-	-	1,320,000	1,210,000
	Provident Fund & Perquisites										
	Mrs. Usha Jain	380,496	155,369	-	-	-	-	-	-	380,496	155,369
	Mrs. Shivani Jain	301,048	267,300							301,048	267,300
	Total	681,544	422,669	-	-	-	-	-	-	681,544	422,669
	Commission Paid										
	Mrs. Usha Jain	3,053,850	-	-	-	-	-	-	-	3,053,850	-
	Mrs. Shivani Jain	11,306,610	-							11,306,610	-
	Total	14,360,460	-	-	-	-	-	-	-	14,360,460	-
	Dividend Paid										
	Mr D K Jain	6,473,868	3,823,136.00	-	-	-	-	-	-	6,473,868	3,823,136
	Mrs Usha Jain	1,159,280	695,568.00	-	-	-	-	-	-	1,159,280	695,568
	Mr Anmol Jain	1,914,725	1,148,835.00	-	-	-	-	-	-	1,914,725	1,148,835
	Mr Deepak Jain	1,986,630	1,191,978	-	-	-	-	-	-	1,986,630	1,191,978
	Mr S C Jain	-	-	53,375	32,025	-	-	-	-	53,375	32,025
	D K Jain and Sons (HUF)	-	-	-	-	2,864,928	1,718,957	-	-	2,864,928	1,718,957
	Sheela Finance Pvt. Ltd.	-	-	-	-	2,875,000	1,725,000	-	-	2,875,000	1,725,000
	Vardhman Agencies Pvt. Ltd.	-	-	-	-	10,650	-	-	-	10,650	-
	Total	11,534,503	6,859,517	53,375	32,025	5,750,578	3,443,957	-	-	17,338,456	10,335,499
	Interest on Unsecured Loan Paid										
	Sheela Finance Pvt. Ltd.	-	-	-	-	-	183,137	-	-	-	183,137
	Lumax Investment & Finance Pvt Ltd.	-	-	-	-	-	314,000	-	-	-	314,000
	Total	-	-	-	-	-	497,137	-	-	-	497,137
B)	BALANCES AT THE YEAR END										
	Receivables										
	Lumax Industries Ltd	-	-	-	-	266,018,091	194,591,297	-	-	266,018,091	194,591,297
	Lumax Automotive Systems Ltd.	-	-	-	-	295,446	1,145,446	-	-	295,446	1,145,446
	Deepak Auto Ltd.	-	-	-	-	1,267,699	502,418	-	-	1,267,699	502,418
	Lumax Cornaglia Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	56,269	-	56,269	-
	Total	-	-	-	-	267,581,236	196,239,161	56,269	-	267,637,505	196,239,161
	Security Deposit										
	Lumax Industries Ltd	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	Total	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	Investment										
	Lumax Cornaglia Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	26,471,500	26,471,500	26,471,500	26,471,500
	Total	-	-	-	-	-	-	26,471,500	26,471,500	26,471,500	26,471,500
	Total (Receivable)	-	-	-	-	292,581,236	221,503,280	26,527,769	26,471,500	319,109,005	247,974,780

Lumax Auto Technologies Ltd.

Annexure "C" (Contd.)

S. No.	Account Head	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Venture		TOTAL	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
	Payables										
	Lumax Industries Ltd	-	-	-	-	90,410,416	76,678,982	-	-	90,410,416	76,678,982
	Deepak Auto Ltd.	-	-	-	-	35,705,416	20,092,633	-	-	35,705,416	20,092,633
	Bharat Enterprises	-	-	-	-	2,819,578	4,713,228	-	-	2,819,578	4,713,228
	Lumax Automotive Systems Ltd.	-	-	-	-	226,599	113,048	-	-	226,599	113,048
	Lumax Filter Pvt. Ltd	-	-	-	-	22,232	79,875	-	-	22,232	79,875
	Lumax Tours and Travels Ltd.	-	-	-	-	555,416	42,304	-	-	555,416	42,304
	S L Lumax Ltd.					9,000	9,000			9,000	9,000
	Mahavir Udyog					35,108	9,595			35,108	9,595
	Mrs. Usha Jain	3,109,250	-	-	-	-	-	-	-	3,109,250	-
	Mrs. Shivani Jain	2,932,993	230,020	-	-	-	-	-	-	2,932,993	230,020
	Mr. Deepak Jain	27,000	38,047	-	-	-	-	-	-	27,000	38,047
	Total	6,069,243	268,067	-	-	129,783,765	101,738,665	-	-	135,853,008	102,006,732

Related Party Disclosure

(A) Subsidiary

- (a) Lumax DK Auto Industries Ltd.

(B) Key Management Personnel :

- (a) Mr. D. K. Jain (Husband of Mrs. Usha Jain & Father of Mr. Anmol Jain)
(b) Mrs. Usha Jain (Wife of Mr. D.K. Jain & Mother of Mr. Anmol Jain)
(c) Mr. Deepak Jain (Son of Mr. D.K. Jain & Mrs. Usha Jain, Brother of Mr. Anmol Jain)
(d) Mr. Anmol Jain (Son of Mr. D.K. Jain & Mrs. Usha Jain, Brother of Mr. Deepak Jain, Husband of Mrs. Shivani Jain)
(e) Mrs. Shivani Jain (Wife of Mr. Anmol Jain)

(C) Relatives of Key Management Personnel :

- (a) Mr. S.C. Jain (Father of Mr. D.K. Jain & Grandfather of Mr. Anmol Jain and Deepak Jain)

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

- (a) Lumax Industries Ltd.
(b) Sheela Finance Pvt. Ltd
(c) Deepak Auto Ltd.
(d) Lumax Automotive Systems Ltd.
(e) Lumax Filter Pvt. Ltd.
(f) Mahavir Udyog
(g) Lumax Investment and Finance Pvt. Ltd.
(h) Bharat Enterprises
(i) Lumax Tours & Travels Ltd.
(j) S L Lumax Ltd.

(E) Joint Ventures

- (a) Lumax Cornaglia Auto Technologies Pvt. Ltd.

Lumax Auto Technologies Limited
Registered. Office: W-230, 'S' Block, M.I.D.C., Bhosari, Pune-411026

NOTICE TO MEMBERS

Notice is hereby given that the 29th Annual General Meeting of the Members of Lumax Auto Technologies Limited will be held as under:

Day : **Monday**
Date : **26th July, 2010**
Time : **3.00 P.M**
Venue : **Plot No. 70, Sector-10, PCNTDA,
Bhosari, Pune, Maharashtra.**

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Auditors and Directors thereon.
2. To confirm the payment of Interim Dividend of Re. 1/- per Equity Share for the Financial Year 2009-10 and to declare the Final Dividend of Rs. 3/- per Equity Share as recommended by the Board of Directors.
3. To appoint a Director in place of Mr. A.V. Alexander, Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anmol Jain, Director, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution:-

"RESOLVED THAT pursuant to Section 224 and other applicable provisions of the Companies Act, 1956, M/s. D.R. Barve & Co., Chartered Accountants, the retiring auditors of the company, having offered themselves for re-appointment, be and are hereby re-appointed as the auditors of the company to hold office from the conclusion of the 29th Annual General Meeting up to the conclusion of the 30th Annual General Meeting of the company at a remuneration to be fixed by the Board & reimbursement of out of pocket expenses, if any incurred in connection with the audit."

SPECIAL BUSINESS:

6. **To consider and approve the revised payment of Remuneration to Mrs. Usha Jain, Managing Director of the Company.**

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED in partial modification of the earlier resolution passed on 26-09-2007 and pursuant to provisions of Section 198, 302, 269, 309, 310, 311 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government and other authorities as may be applicable **that** the consent of the members of the Company be and is hereby accorded for the increase in the remuneration of Mrs. Usha Jain, Managing Director, which shall be effective from 01.04.2010, for the remaining period of her appointment, the details of which are set out in the Explanatory Statement annexed to this notice."

"Resolved further that in the absence or inadequacy of net profits during any financial year, Mrs. Usha Jain shall be paid the above mentioned salary and perquisites, as minimum remuneration which shall further be within the overall ceiling as specified in Section II of part II of Schedule XIII of the Companies Act, 1956."

"Resolved further that the Board of Directors be and is hereby authorized to increase, vary or amend the salary, perquisites, minimum remuneration and other terms and conditions of her appointment/re-appointment, from time to time as it may deem fit and necessary, subject to the relevant provisions of the Companies Act, 1956 and amendments thereof, as may be agreed by Board of Directors and Mrs. Usha Jain."

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

Lumax Auto Technologies Ltd.

7. To consider and approve the further Issue of Equity Shares on Preferential Basis.

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

"RESOLVED in accordance with the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, including any amendment thereto or re-enactment thereof, (hereinafter referred to as "the Act") and subject to the enabling provisions in the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchange(s) where the Equity shares of the Company are listed and in accordance with the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009 and all other applicable guidelines, rules and regulations issued by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), Government of India (GOI) or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or sanctions, which may be agreed to by the Board or any Committee constituted thereof (hereinafter referred to as "the Board"), **that** the consent of the members be and is hereby accorded to the Board to issue, create, offer and allot from time to time in one or more tranches upon such terms and conditions as may be deemed appropriate by the Board, on preferential allotment basis, upto 6,75,000 (Six lacs seventy five thousand only) to Promoter Group Entities & 13,25,000 (Thirteen lacs twenty five thousand only) Non Promoter Group Entities, as per details given in the explanatory statement fully paid up Equity Shares of the Company of nominal value Rs. 10.00 (Rupees ten only) each (hereinafter referred to as "the Shares"), for cash, at a price, including premium, if any, determined as per Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred as "SEBI Regulations"), ranking pari passu in all respects, including rights as to dividend, bonus with the existing Equity Shares of the Company on such terms and conditions, as the Board may deem appropriate in its absolute discretion, without offering the same to any other person, whether or not they are members of the Company.

"Resolved further that:

- (a) The 'Relevant Date' for the purpose of pricing of issue of the Shares, in accordance with Chapter VII of SEBI Regulations, is June 26, 2010, being the date 30 days prior to the date of passing of this resolution.
- (b) The Board, be and is hereby authorized to decide and approve the other terms and conditions of the issue of the Shares, including the issue price and premium, as it may deem expedient, without being required to seek any further consent or approval of the Company in a General Meeting.
- (c) The offer, issue and allotment of the aforesaid Shares shall be made at such time or times as the Board may in its absolute discretion decide subject to the applicable SEBI Regulations, Act or any other Law.
- (d) The Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any committee of Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution.

"Resolved further that for giving effect to this resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the creation, offer, issue and allotment of the Shares and the utilization of the issue proceeds of the Shares, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit".

8. Increase the Borrowings Powers of the Board of Directors.

To consider and if thought fit, to pass with or without modification the following as an Ordinary Resolution:

"Resolved that in super session of all earlier resolution(s) passed in this behalf and pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 and all other applicable provisions, if any, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as "Board", which term be deemed to include any Committee thereof) of the Company for borrowing, from time to time, such sums or sums of money, as they deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), remaining outstanding at any point of time will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 200 Crores, on such terms and conditions as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit".

" Resolved further that in super session of all earlier resolution(s) passed in this behalf and pursuant to the provisions of Section 293 (1) (a) of the Companies Act, 1956 and all other applicable provisions, if any, the consent of the members be and is hereby accorded to the Board of Directors of the Company to Mortgage and/or create Charge on all or any one or more of the immovable or moveable properties or such other assets of the Company, wherever situated, both present and future, and whole or part of the undertakings of the Company of any nature and kind whatsoever in favour of banks, financial institutions any other lenders whether Indian or International (hereinafter referred as "Lenders") to secure the amount borrowed/to be borrowed by the Company from such "Lenders" from time to time for the due payment of

the principal monies together with the interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damages, commitment charges or any other charges in respect of such borrowings and such security to rank in such manner as may be agreed to between the concerned Lender and as may be thought expedient by the Board."

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

BY ORDER OF THE BOARD

Place: Pune
Date: 26-06-2010

Raju Bamane
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. A proxy to be effective shall be deposited at registered office of the Company not less than forty eight hours before the commencement of the meeting. Attendance cum Proxy Form is attached.*
2. **Book Closure :** The Register of Members and Share Transfer Book of the Company will remain closed from Monday July 19, 2010 to Monday July 26, 2010 (both days inclusive)
3. **Annual Report:** The member or his proxy is requested to bring their copy of this annual report to the meeting as extra copies will not be distributed at the Venue of the meeting.
4. **AGM-Attendance Slip:** Members / Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. Entry to the meeting venue will be strictly against entry slips available at the counters at the venue and against exchange of valid attendance slip.
5. **Dividend Entitlement :** Final Dividend on Equity Shares, as recommended by the Directors, if declared at the meeting will be payable to those members whose names appear on the Register of Members of the Company, in the case of beneficial owners as at the close of July 17, 2010, as per the beneficial ownership data furnished by NSDL/CDSL for the purpose and in respect of Shares held in physical form after giving effect to all valid Share Transfers in physical form, which are lodged with the Company before July 19, 2010.

Dividend Amount of Shareholders holding shares in Electronic Form and to those Shareholders holding in Physical Form, who have given their Bank details, will be credited to their respective Bank Account through Electronic Clearing Service (ECS), wherever such facilities are available, soon after the declaration of the Dividend in the AGM.

Dividend Warrants in respect of Shareholders holding Shares in Physical Form will be sent through post by August 20, 2010 (tentative date).

In order to avoid the fraudulent encashment, such Shareholders are requested to furnish their Bank Account Number and Bank's name so as to incorporate the same in the Dividend Warrant, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Shareholders, they are requested to intimate the same to their respective Depository Participants for their further action.

Consequent upon the amendment to Section 205 A of the Companies Act, 1956 and introduction of Section 205C of the Companies Act the amount of Dividend unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Account, shall be transferred to the Investor Education & Protection Fund set up by Government of India and no claim shall lie against the Fund or the Company after the transfer of dividend amount to the Government.

6. **Joint Holder :** In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
7. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and Share Transfer Agent- M/s Bigshare Services Private Limited immediately, if there is any change in their registered address. Demat Shareholders should inform the change of address to their respective Depository Participants.
8. **Corporate Member:** Corporate member intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. **Gift :** No gift will be distributed at the Annual General Meeting.
10. **Security:** Owing to security concerns, brief cases, 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.
11. **Queries :** Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 10 days before the ensuing Annual General Meeting.

Lumax Auto Technologies Ltd.

12. Explanatory Statement : Pursuant to Section 173(2) of the Companies Act, 1956 Explanatory Statement in respect of special business is furnished here under.

EXPLANATORY STATEMENT:

Item No. 6

Keeping in view the increase in operations of the Company and also various expansion plans under implementation, requiring Mrs. Usha Jain to take up additional responsibilities, in her respective areas of operations, to meet new challenges in the fast changing business environment and growing competition, the Remuneration Committee has proposed revision in the existing Remuneration of Mrs. Usha Jain, Managing Director for the remaining period of her appointment, as per details given below.

Remuneration

Particulars	Mrs. Usha Jain
Effective Period of Remuneration	01-04-2010 onwards
Salary	Rs. 1,34,000 per month.
House Rent Allowance	Rs. 67,000 per month
Total	Rs. 2,01,000 per month
Commission	Up to 5% per annum of the Net Profits of the Company, calculated in accordance with the provisions of the Companies Act, 1956. The annual commission may be paid quarterly, half yearly or annually as the Board may determine from time to time.

In addition to the above remuneration, the Managing Director shall also be entitled for the Perquisites which shall include reimbursement of all expenses, on Electricity, Security Guards, Club Membership Fees, Leave Travel Concession, medical, mediclaim and personal accidental insurance premium, on actual basis, if incurred by her on self or on spouse as the case may be, contribution to the Statutory Payments viz. Provident Fund, Super Annuation Fund, Bonus, Gratuity, Leave Encashment, Retirement benefits and other facilities, benefits and incentives as admissible to her cadre as per the rules of the Company in respect of above remuneration. However, this shall further be within the overall ceiling as specified in Schedule XIII of the Companies Act, 1956.

The value of perquisites and allowances shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Apart from the above Remuneration, the Managing Director shall be entitled to Use of Company's Car with Driver for official duties, telephone(s), mobile phone, reimbursement of expenses incurred in connection with the business of the Company including entertainment expenses, travelling and hotel expenses.

Provided further that the use of Company maintained car(s) for official duties, telephone(s), mobile phone, traveling and hotel expenses incurred for business purpose shall not be included in the computation of perquisites and allowances for the purpose of calculating ceiling of Remuneration.

If, in any financial year during the currency of her tenure, the Company has no profits or its profits are inadequate to pay the above said remuneration, the remuneration payable to the Managing Director shall not exceed the limit prescribed in Section II of Part II of Schedule XIII of the Companies Act, 1956, which shall be payable to her as minimum remuneration for that year.

This Explanatory Statements be treated as an Abstract of the modification in the terms and conditions of payment of remuneration to the above Managing Director in accordance with Section 302 of the Companies Act, 1956.

Mrs. Usha Jain is related to other Directors namely Mr. D.K. Jain and Mr. Anmol Jain, except above no other directors is interested in the proposed resolution.

Yours Directors recommend the resolution for your approval.

Item No. 7

The Company needs funds in near future for meeting capital expenditure for modernization and expansion activities, working capital requirements arising out of increased volume of business, acquisition/ takeover/ investment in the Companies which are in the same or allied business as of the Company and for other corporate purposes as may be required from time to time. To provide for funds so required, it is considered appropriate under the current circumstances to issue and offer for subscription, on preferential allotment basis, upto Twenty lacs (20 Lacs) fully paid up Equity shares of Rs. 10/- each ("the Shares") to persons, body corporates and entities, the details of whom are given in this Explanatory Statement, in one or more tranches, for cash, at a price, including premium to be determined by the Board of Directors as per Chapter VII of SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009.

The Promoter Group and Non Promoter Group the details of the same are mentioned in the Explanatory Statement have agreed to subscribe upto 6,75,000 & 13,25,000 Equity Shares respectively at a price calculated in accordance with clause 76(1) of Chapter VII of SEBI Regulations, which shall be higher of the following:

- (a) The average of the weekly high and low of the closing prices of the related shares quoted on the recognized stock exchange during the six months preceding the relevant date;
OR
(b) The average of the weekly high and low of the closing prices of the related shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

(Relevant date: 30 days prior from the date of Annual General Meeting, i.e. 26th June, 2010)

Information as required under Clause 73 of the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009 are as under:

1	OBJECTS OF THE ISSUE The Company needs funds in near future for meeting capital expenditure for modernisation and expansion activities, working capital requirements arising out of increased volume of business, acquisition/ takeover/ investment in the Companies which are in the same or allied business as of the Company and for other corporate purposes as may be required from time to time.		
2	INTENTION OF THE PROMOTERS/DIRECTORS/ KEY MANAGEMENT PERSONS TO SUBSCRIBE TO THE OFFER: Except Mr. Deepak Jain, Mr. Anmol Jain, Mrs. Shivani Jain, M/s Sheela Finance Pvt Ltd and Dhanesh Kumar Jain {As a Karta of D.K Jain & Sons (HUF)}existing Promoter of the Company who intends to subscribe to 6,75,000 Shares, no other Promoters/ Directors/ Key Management Persons of the Company intends to subscribe to the proposed offer.		
3	PROPOSED TIME WITHIN WHICH ALLOTMENT SHALL BE COMPLETE The allotment of the fully paid up equity shares shall be completed within 15 days of the date of passing of this resolution. Provided that if the allotment is pending on account of pendency of any regulatory or other approval(s), the allotment shall be completed within 15 days of receipt of such approval(s).		
4	IDENTITY OF THE PROPOSED ALLOTTEES AND THE PERCENTAGE OF POST PREFERENTIAL ISSUE CAPITAL THAT MAY BE HELD BY THEM.		
	Name of the proposed allottees	No. of Equity Shares to be allotted.	% age of post issue holding.*
	Promoter Category		
1.	Dhanesh Kumar Jain {As a Karta of D.K Jain & Sons (HUF)}	35,000	8.66
2.	Deepak Jain	120,000	6.71
3.	Anmol Jain	75,000	6.33
4.	Shivani Jain	45,000	0.33
5	Sheela Finance Pvt Ltd	400,000	11.37
	Sub Total	675,000	
	Non Promoter Category		
	Orange Mauritius Investments Limited	675,000	4.95
	Asia Investment Corporation (Mauritius) Ltd	650,000	4.77
	Sub Total	1,325,000	9.72
	Total	2,000,000	

There is no Change in Control in the Company, pursuant to proposed allotment.

* It includes pre issue Shares

5 SHAREHOLDING PATTERN BEFORE AND AFTER THE PREFERENTIAL ISSUE.

	Particulars	Pre Issue		Post Issue	
		No. of Shares	% of total Capital	(No. of Shares)	% of total Capital
A.	Promoter's Holding				
	Indian Promoters	6,266,882	53.88	6,941,882	50.93
	Foreign Promoters	-	-	-	-
	Sub-Total	6,266,882	53.88	6,941,882	50.93
B.	Non Promoters Holding				
	1. Institutional Investors				
	a. Mutual Funds & UTI	-	-	-	-
	b. Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions)	-	-	-	-
	c. FIIs	896,926	7.72	2,221,926	16.29
	2. Others				
	a. Corporate Bodies	2,008,130	17.26	2,008,130	14.73
	b. Indian Public	2,175,348	18.70	2,175,348	15.96
	c. NRIs/OCBs	241,252	2.07	241,252	1.77
	d. Any other Clearing member	38,003	0.33	38,003	0.28
	e. Trust	5,000	0.04	5,000	0.04
	Sub- Total	5,364,659	46.12	6,689,659	49.07
	Grand Total	11,631,541	100.00	13,631,541	100.00

Lumax Auto Technologies Ltd.

The above post issue shareholding pattern assumes that the proposed allottee named in the resolution will participate in the preferential issue to the full extent proposed.

6. Lock in

In terms of SEBI regulations for Preferential Issues, the Shares proposed to be allotted to Promoters shall be lock in for a period of three years & to Non Promoters for a period of one year from the date of their allotment or such other period as prescribed by SEBI regulations, provided that in any case, not more than 20% of the total capital of the Company, including capital brought in by way of preferential issue shall be subject to lock in for three years from the date of allotment.

Further the entire pre preferential shareholding of proposed allottees, if any, shall also be under lock in from the relevant date upto a period of six months from the date of the preferential allotment.

7. Undertakings

- (a) In accordance with the Regulation 73(1)(f) of the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009, it is undertaken that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- (b) It is further undertaken that, if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees.

The allotment does not require making of a public offer as it is below the prescribed threshold limit for making a public offer in terms of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 as amended. Due to this preferential allotment of shares, no change in the management is contemplated. The aforesaid allottee(s) shall be required to comply with the relevant provisions of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, if any, as applicable.

A copy of the certificate from M/s D.R. Barve & Co, Chartered Accountants, Statutory Auditors of the Company, certifying that the above issue of the shares is being made in accordance with the requirements of the SEBI Regulations for preferential issue of securities as contained in the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009, shall be placed before the shareholders of the Company at the forthcoming Annual General Meeting and will be available for inspection at the Registered Office of the Company during office hours (as applicable for other documents for AGM).

Accordingly, the consent of the members is sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, and in terms of Listing Agreement with the stock exchange(s) to the proposed issue of Equity Shares as contained in the special resolution in such form and manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

None of the directors may be considered to be interested in the proposed resolution except Mrs. Usha Jain, Managing Director, Mr. Anmol Jain, Director being relatives of, the proposed allottees under Promoter Category.

The Board of Directors recommends the resolution for your approval.

Item No.8.

In order to meet the requirements of funds for Capital Expenditure for expansion plans, the company needs large amount of borrowed capital from financial institutions or Banks.

In pursuance to the provisions of the Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the consent of the Members, borrow monies, (apart from temporary loans obtained from Company's Bankers in the ordinary course of business), in excess of the aggregate of paid up share capital and free reserves. Further, pursuant to the provisions of the Section 293(1)(a) of the Companies Act, 1956, it is also required to give the powers to the Board of Directors to create charge on the properties of the Company to secure such borrowings.

The present borrowing limit of Rs.75 Crores approved by the Members in the Annual General Meeting held on 11-07-2006 is likely to be exceeded in near future.

Accordingly, it is proposed to increase the limit of Board of Directors to borrow and charge the properties of the Company upto a limit of Rs. 200 Crores.

None of the Directors are concerned or interested in this resolution.

BY ORDER OF THE BOARD

Place: Pune
Date: 26-06-2010

Raju Bamane
Company Secretary

ADDITIONAL INFORMATION AS PER CLAUSE 49 OF THE LISTING AGREEMENT

Brief details of directors seeking Appointment/Re-Appointment

PARTICULARS	A. V. ALEXANDER	ANMOL JAIN
Date of Birth & Age	01-11-1938 71 Years	29-04-1979 31 Years
Date of First Appointment	15-06-2006	03-04-2004
Qualification	B.E (Mechanical)) from Kerla University	Graduate in B.B.A (Hons) from Michigan State University, U.S.A.
Experience& Expertise	He has worked with TELCO and Escorts Tractors Ltd. He has experience of working Research and Development Centre of Automobiles. He was member for various committees like National Committee on Quality etc and Head of the Technical Committee of Tractors Manufacturers Association. Currently, he is working as an Independent Automotive Engineering Consultant.	<ol style="list-style-type: none"> 1. Started his career as Management Trainee in M/s GHSP, U.S.A. 2. Joined M/s Lumax GHSP Industries Limited in India, as Vice President on 05-12-2000. 3. Joined Lumax Industries Limited on 01-11-2003 as Vice President and thereafter appointed as Executive Director on the Board of the Company on 22-07-2004. 4. Presently, he is a Senior Executive Director of Lumax Industries Limited. 5. He is a Member of Young Business Leader Forum, Automotive Component Manufacturers Association of India (ACMA).
Name of Public Companies in which Directorship held other than Lumax Auto Technologies Limited.	Nil	<ol style="list-style-type: none"> (1) Lumax DK Auto Industries Ltd. (2) Lumax Industries Ltd.
Chairman/Member of the Committee of the Board of Public Companies other than Lumax Auto Technologies Limited.	Nil	Nil
Relationship with Directors Interse	Not related with any Director	Son of Mr. D. K. Jain, Chairman and Mrs. Usha Jain, Managing Director of the Company
No of Shares held in the Company	200	787,240

Lumax Auto Technologies Ltd.

LUMAX AUTO TECHNOLOGIES LIMITED

Regd. Office : W-230-E, 'S' Block, M.I.D.C., Bhosari, Pune – 411 026

PROXY - FORM Twenty Ninth Annual General Meeting

Regd. Folio No. _____
*Demat A/c No. _____
DP. ID No _____

I/We _____ of _____ (Address) _____
being a member of the Company here by appoint Mr./Ms. _____ of _____ (Address) _____ or _____
failing him/her of Mr./Ms. _____ (Address) as my/our proxy to vote for me/us on my/ our behalf at the 29th Annual General
Meeting of the Company to be held at Plot No.70, Sector-10 PCNTDA, Bhosari, Pune at 3.00 P.M. on Monday, 26th July, 2010 or any
adjournment's thereof.

Signed this _____ day of _____ 2010

Affix One
Rupee
Revenue
Stamp

Signature _____

Note:

This form in order to be valid & effective, should be duly stamped, completed, and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

*Those who hold shares in demat form must quote their Demat A/c No & Depository Participant (DP) ID. No.



LUMAX AUTO TECHNOLOGIES LIMITED

Regd. Office : W-230-E, 'S' Block, M.I.D.C., Bhosari, Pune - 411 026

ADMISSION - SLIP Twenty Ninth Annual General Meeting

Regd. Folio No. _____
*Demat A/c No. _____
No. of Shares Held : _____ DP. ID No _____
I certify that, I am a member/ Proxy for the member of the company.

I hereby record my presence at the 29th Annual General Meeting of the Company being held at Plot No.70, Sector-10 PCNTDA, Bhosari, Pune at 3.00 P.M. on Monday, 26th July, 2010 or any adjournment's thereof.

Members/ Proxy's name in
BLOCK Letters

Signature of Member/Proxy

Notes :-

Please fill this Admission Slip & hand it over at the entrance of the Meeting Hall.
Members are requested to bring their copy of the Annual Report to the Meeting.

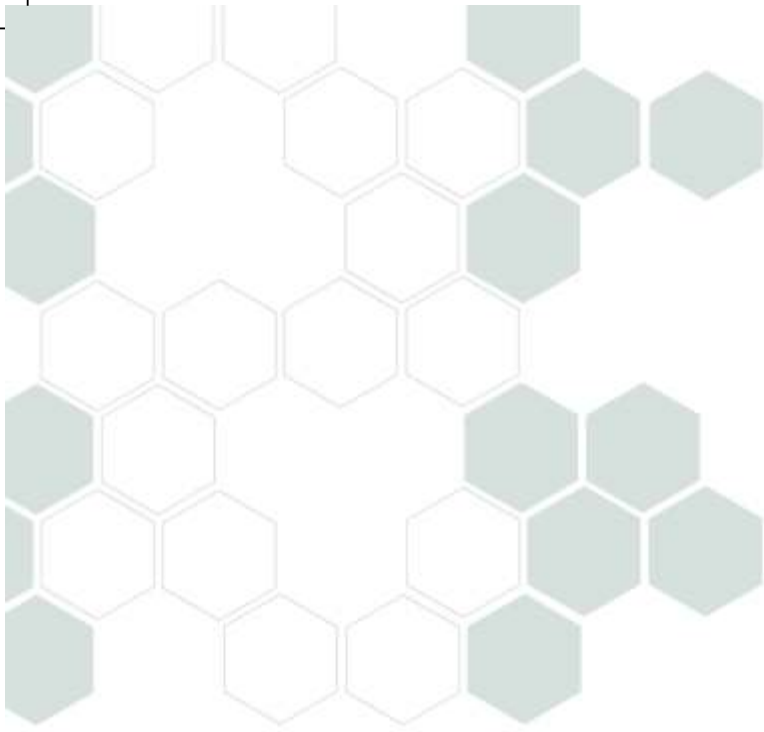
*Those who hold shares in demat form must quote their Demat A/c No. and Depository Participant (DP) ID. No.



"Save Environment
Save Girl Child"

Lumax ki Nanhi Chhaan

As a corporate initiative "Lumax ki Nanhi Chhaan" is a double edged, positive initiative that promotes the proud sentiment of parenting the girl and also increasing the afforestation drives all across the plants.



Lumax Auto Technologies Limited
www.lumaxautotech.com