



# HELLA INDIA LIGHTING LIMITED

## ANNUAL REPORT 2019 -2020

**TECHNOLOGY  
OF TOMORROW  
FOR THE LIFE  
TODAY**



Great  
Place  
To  
Work®

India's Great Mid-size  
Workplaces

INDIA

2020

## Industry recognition to HELLA's commitment towards Quality & Innovation



India's Great  
Mid-size Workplaces  
Award - 2020



FICCI Road safety  
Awards, 2019



CII Industrial Innovation  
Award - 2017



Auto Components India  
Magazine Award for Auto  
Component of the Year - 2017



Winsome Quality Pathfinder  
Award (Manufacturing:  
Small Business) 2015



APEA 2016 Award



CSR Leadership Award



CV Magazine Award for  
Auto Component of  
the Year - 2016



ICAT Trophy for  
Excellence in Lighting  
Technology at iSOL - 2015



Frost and Sullivan India  
Manufacturing  
Excellence Awards - 2016



ACMA Silver Trophy in  
Large Category for Quality  
& Productivity - 2015



ACMA QC Competition  
Award - 2016

# HELLA INDIA LIGHTING LTD.

## SOE & IAM PRODUCT PORTFOLIO

### Projector Lamp Family



Module 90  
(High Beam)

Module 90  
(Low Beam)

Module 90  
(Fog Lamp)

Module 60 (High/  
Low/Work Lamp)

Semi Customised  
Headlamp

Work Lamp  
W394

### LED Lamp Family



LED Tail  
Lamp

4 Inch LED

LED Work Lamp  
(Eco 18/26)

Decorative  
Lamp (LED)

LED Side Marker

RL PLUS  
LED Beacon

### Auxiliary Lamp Family



Fog Lamp

Comet 500  
(Driving & Fog)

Comet 450/550  
(Driving & Fog)

Combination Head  
Lamp

Interior Lamp

Switches



Disc Horn  
(Red Grill)

Trumpet Horn  
(Blue Sapphire)

Premium  
Trumpet (Chrome)

Eternity Horn

Midnight Black

Dash Cam



LED Light Bar

Rallye Light

LED Head Lamp  
with DRL

Bulbs

Spark Plug

Brake Pads



Wiper Blade

Filter

Battery

Lubricants

Coolant

Test Equipment  
(Beamsetter)

**INSIDE THIS REPORT**

BOARD OF DIRECTORS

CORPORATE INFORMATION

FINANCIAL HIGHLIGHTS

MANAGING DIRECTOR'S MESSAGE

NOTICE CALLING AGM

DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

CORPORATE GOVERNANCE REPORT

INDEPENDENT AUDITORS' REPORT

BALANCE SHEET

CASH FLOW STATEMENT

REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIESNOTES ON FINANCIAL STATEMENTS

ATTENDANCE SLIP / PROXY FORM

**BOARD OF DIRECTORS  
COMMITTEE**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non – Executive Independent Director

Mr. Rama Shankar Pandey  
Managing Director

**EXECUTIVE OFFICERS**

Mr. Narender Jain  
Chief Financial Officer

Ms. Aakritee Khanna  
Company Secretary

**AUDIT COMMITTEE**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non - Executive Independent Director

Mr. Rama Shankar Pandey  
Managing Director

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non - Executive Independent Director

Mr. Rama Shankar Pandey  
Managing Director

**CORPORATE SOCIAL RESPONSIBILITY**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non- Executive Independent Director

Mr. Rama Shankar Pandey  
Managing Director

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non – Executive Independent Director

Mr. Rama Shankar Pandey  
Managing Director

**RISK MANAGEMENT COMMITTEE**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non - Executive Independent Director



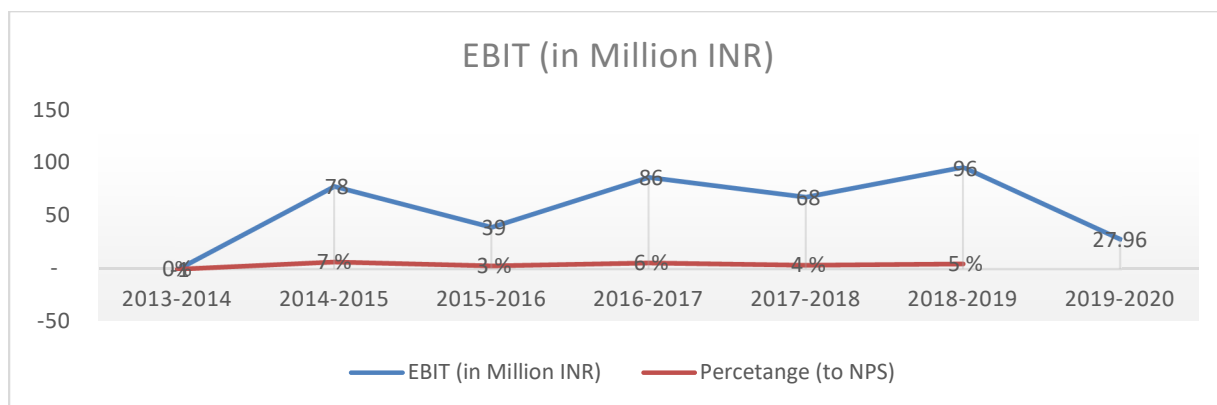
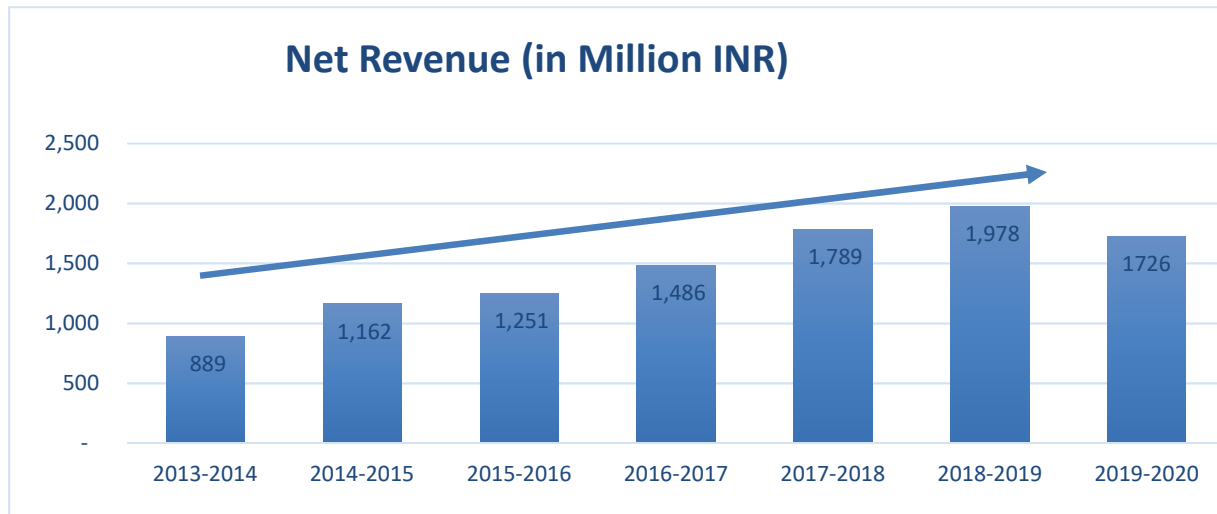
**Dear Shareowners,**

As we present the 60<sup>th</sup> Annual report of Hella India Lighting Limited, we hope you're doing fine amidst the pandemic along with your family. This year has brought its own share of upheavals and challenged us with unforeseeable obstacles in terms of survival as well as in terms of doing business. We have managed to stay resilient thanks to your support.

The Financial Year 2019-2020 was a significant period of growth and prosperity for us, both in terms of profitability and sales.

Intensive research carried out in the domains of electronics, thermal engineering and design has helped us come up with ingenious products in our journey of LED-fication strategy of rear lamp & single function lamp. We have acquired significant global business in LED technology of single function lamp for a new vehicle Platform. We understand that Future will be LED Modular head lamp approach for our Indian market, hence we are providing German technology at an affordable Indian cost, providing value for money for our customers. Our R&D team is working together with our German expert for this innovative product which will be launched next year in the LED Front lighting domain. Our Plant upgradation project HIL 2.0 is fully operational with increased capacity of molding up to 1300Ton. Our Lens coating & BMC coating is fully operational with Robotic technology, which is approved by major OEM. This has reaffirmed our strength as one of the global leaders in the automotive and lighting technology. This is also a testament of our journey towards becoming a globally preferred solutions partner in the automotive industry. In Aftermarket, we have launched Hella Brake pads for passenger cars which has not only been acknowledged but has also successfully made its way into the Quality Conscious market segment.

Module lamps, Aux Lamps, Rear Combination Lamps, LED Side Marker and Beacon are some of the major products being manufactured in India that have transformed the scenario of road safety on Indian roads resulting in the revamping of the Indian Automotive Industry.



Our efforts at ensuring road safety manifested in to collaborations with NGO ClubD2S that is working towards arresting alarming road deaths. Hella along with NGO, Drive Smart Drive Safe and Ministry of Road Transport and Highways, & SIAM launched the campaign titled IndiaAgainstRoadCrash IARC2020 during the 31st National Road safety week as announced by Ministry of Road Transport & Highways. The objective of the campaign was to start a sustainable chain of campaigns which will not only make people aware & transform their behavior on roads, but it will also lead to formation of Road Safety Clubs among Corporates, Institutions & organizations at various locations. and make Indian roads safer for everyone.

The campaign was based on the thought of JabHumBadlengeTohDeshBadlega - The campaign aim was to Positively reinforcing Safe Driving by forming Drive safe club where committed Road Safety Warriors

continue the spirit by “Recognizing & Rewarding” better Road Safety behavior. The campaign educated the masses on road safety by organizing, nationwide Walkathons, Human Chains, and Safety Club Campaigns during the Road Safety Week 2020. The program enrolled people from all walks by making them commit for Safer Road Behavior by taking 2 minutes pledge of Road Safety Code of Conduct and forming local Road Safety Clubs

The outbreak of Corona virus in early months of 2020 followed by a complete lockdown across the country changed everything about everything. This pandemic gave a totally new lease of life to the very idea of virtual marketing and that's how we leveraged our marketing potential by reaching out to our consumers digitally to check on their well-being and promote our services by accordingly curating the brand communication via mailers, leaflets greetings, safety guidelines communication, banners, digital product launch and content marketing.

#DoorihaiZaroori campaign was launched taking the learning of "Social-distancing" which emerged in the wake of COVID-19 and moulded into the idea of "road traffic distancing". It is an unprecedented Volunteer Led Micro Training Project aiming to enroll a Million Road Users, Drivers via Digital/Online Video/Audio Platforms towards Traffic Distancing. The campaign is executed by Corporates, RWA's, Schools, Universities, Institutions & Organizations. This campaign aimed to educate, train & enroll drivers on benefits of keeping distance from other vehicle on roads.

The objective of the campaign is to positively enforce behavioural change in existing as well as future drivers so that they maintain distance from other vehicles on the road and eventually lead them to defensive driving habit. The campaign DooriHaiZaroori aimed to target anyone who drives a vehicle, be it a cab driver, truck driver, personal car driver or a school bus driver to learn digitally the benefits of maintaining distance on roads. We can together make Traffic Distancing as the “new normal” on our roads, post covid .

We truly believe that human resource management is a critical function and requires equal and utmost attention. Therefore, in an effort to enhance productivity, HELLA has been consistently providing its employees with utility trainings ensuring their and the company's success simultaneously. HELLA has been able to achieve benchmark in quality performance because of this very approach.

Our company's 'Make in India' initiative is in line with the government's vision, wherein the production of advanced technology products not only meets the automotive needs of the country, but that of the world.

**HELLA takes great pride in sharing that we have been bestowed with the Innovation in Product and Service in Road Safety in the FICCI Road safety Awards, 2019. Our initiative "LED Tail Lamp for Commercial Vehicle" signifies our vision towards ensuring road safety in every aspect. HELLA added another feather to its cap by winning the Company of the Year - Auto and Auto Components at the Dare To Dream Awards by Zee. We are also pleased to inform you that we have been Great Place to Work-Certified™ company for building a High-Trust, High-Performance Culture™ in the organization**



**Hella has been recognized among top 50 Great Places to Work Companies for 2020 in mid-size segment.** Every year, more than 10,000 organizations from over 58 countries partner with Great Place to Work® Institute for assessment, benchmarking and planning actions to strengthen their workplace culture.

In view of the growing demand for support from customers, we have modernized our plant and are introducing new products with advanced technologies in the product portfolio. We are quite optimistic due to various technological advancements and various regulatory measures such as emission, safety regulations etc. that the growth in the auto component industry will be relatively higher than the underlying growth in the automotive industry in the medium to long term.

To conclude, it would be right to say that we remain encouraged and confident of achieving our long-term objectives of inclusive, sustainable and profitable growth. I believe that our strategy, prudent approach, focus on swift execution and a committed team will enable us improve our performance further and create a greater shareholder value.

As we look ahead, the post Covid-19 world will have its own share of challenges, however it's with your support that we look forward to conquer them all.

Now I would like to take this opportunity to thank all our employees for their selfless contribution which has led to the continued success of Hella and I also wish that they enjoy the best of health amidst this pandemic. I would also like to extend my gratitude towards our business partners, associates, vendors and also the Central, State governments and government agencies for their sustained support. I also extend my gratitude towards shareholders for their continued faith, trust, encouragement and support.

I would certainly like to take this opportunity to salute the zeal and valor of our entire frontline Corona Warriors specially the Doctors, the hospital staffs, the essential service providers, the police and finally the state governments and the Govt. of India in their relentless fight against COVID-19.

I firmly believe that we shall overcome this pandemic with all guts and glory till then let's keep up the fight.

Stay safe.

Sincerely yours

Ramashankar Pandey



## NOTICE

NOTICE is hereby given that the 60<sup>th</sup> Annual General Meeting of the Members of Hella India Lighting Limited will be held on Friday the 25<sup>th</sup> Day of September 2020 at 012:30 P.M. via Video Conferencing through Insta Meet (<https://instameet.linkintime.co.in>), to transact the following business:

### ORDINARY BUSINESS

**1. Adoption of the Audited Financial Statements as at 31<sup>st</sup> March, 2020**

To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2020, the Audited Statement of Profit and Loss Account for the year ended on that date, together with Reports of Auditors and Directors thereon.

### SPECIAL BUSINESS

**2. Approval of remuneration of Cost Auditors for the financial year ending March 31<sup>st</sup>, 2021**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditors) rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Mushtaq A. Mir & Co. Cost Accountants. Gurugram, Haryana who have been appointed by the Board of Directors vide resolution dated 21<sup>st</sup> July, 2020 to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2020 at the remuneration of Rs. 85,000/- p.a plus applicable taxes and out of pocket expenses if any as approved by the Board of Directors of the Company be and is hereby ratified and approved.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Rama Shankar Pandey (DIN: 02848326) as the Managing Director of the Company for a period of 3 years w.e.f. 1st January, 2021 and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. Rama Shankar Pandey in the best interests of the Company and as may be permissible at law, viz.:

- i. Salary: As per schedule V including Perquisites, HRA and other allowances and Reimbursement of expenses on actuals.
- ii. Annual HIBS Bonus as may be applicable and decided by management.
- iii. Annual remuneration review is effective 1st January each year, as per the policy of the Company.

RESOLVED FURTHER THAT the aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.



RESOLVED FURTHER THAT wherein any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Rama Shankar Pandey in accordance with the applicable provisions of Schedule V section II of the Act, and subject to the approval of the Central Government, if required.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

**By Order of the Board of Directors**  
HELLA India Lighting Limited

Place: Gurugram  
Dated: 21<sup>st</sup> September, 2020

Sd/-  
Aakritee Khanna  
Company Secretary  
Membership No : A48297  
H.No. 392/9, Subhash Nagar,  
Gurugram, Haryana.

**Registered Office:**  
K-61B, LGF, Kalkaji, New Delhi – 110019.  
T (+91) 124 4658600  
CIN U74899DL1959PLC003126  
Wwww.hella.com

**Note(s):**

1. The relative Explanatory Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 in concerning special business under Item No. 4 of the notice is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE. THE BLANK PROXY FORM IS ENCLOSED HERewith. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

3. The Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company.

4. All documents referred to in the accompanying notice are open for inspection at the registered office of the company on all working days except Sundays and Holidays during office hours up to the date of the Annual General Meeting.

5. The Register of Members and Share Transfer Books of the Company shall remain close for a period of 7 days, from 19<sup>th</sup> September, 2020 to 25<sup>th</sup> September, 2020 (both days inclusive).

Members are requested to send request for change in their addresses, if any, directly to the Registrar & Share Transfer Agent viz. Link Intime India Private Limited (formerly Intime Spectrum Registry Limited), 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase – 1, Near PVR Naraina, New Delhi – 110028.

Members desirous of having any information regarding Accounts are requested to send their queries to the Company at least 15 days before the date of the meeting, so that the requisite information is made available at the meeting.



Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

Pursuant to Section 108 of Companies Act 2013 read with The Companies (Management and Administration) Rules, 2014, the Company is pleased to offer Remote e-voting (Electronic Voting) facility to its members to cast their votes electronically on all resolution set forth in this Notice convening the 60th Annual General Meeting of the members of the company, to be held on Friday, September 25, 2020, at 12.30 P.M.

The Company has engaged the services of Link Intime India Private Limited as the authorised agency to provide the Remote e-voting facilities. The Remote e-voting facility will be available during the following voting period:

Commencement of Remote E-voting	End of Remote E-voting
From 9:00 A.M. on 22nd September 2020	Upto 5:00 P.M. on 24th September 2020

The members, who would like to avail e-voting facility, would follow below instructions: -

The instructions for shareholders voting electronically are as under:

The voting period begins on 22nd September 2020 at 9:00 AM and ends on 24th September, 2020 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18 September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.**

1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
  - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:  
If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
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PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the abovementioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

### Cast your vote electronically

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
- On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

- If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.



11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

#### General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please click here or you may refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

#### Other Instructions

The Remote e-voting period commences on 22<sup>nd</sup> September, 2020 at 9.00 A.M. and ends on 24<sup>th</sup> September, 2020 at 5.00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date which is 18<sup>th</sup> September 2020, may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

In terms of the amended Companies (Management and Administration) Rules, 2014 with respect to the Voting through electronic means, the company is also offering the facility for voting by way of physical ballot process at the AGM. The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through ballot process for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date being Friday, 18<sup>th</sup> September, 2020.

Mr. J.K.Gupta, Practicing Company Secretaries (email: [jitesh@jkgupta.com](mailto:jitesh@jkgupta.com)), (Membership No. F3978) has been appointed as the Scrutinizer to scrutinize the Remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.hella.co.in](http://www.hella.co.in) and on the website of CDSL within three days of conclusion of the meeting.

The notice of the meeting is also available on the website of the Company at [www.hella.co.in](http://www.hella.co.in).



### **Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

### **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:



1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

#### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





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To open the app double-click the Webex Meetings icon on your desktop.

What do you want to do with webexapp.msi (88.1 MB)?  
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#### Step 3

Once installed the app will launch automatically.

To open the app double-click the Webex Meetings icon on your

Cisco Webex Meetings - InstallShield Wizard

Welcome to the InstallShield Wizard for Cisco Webex Meetings

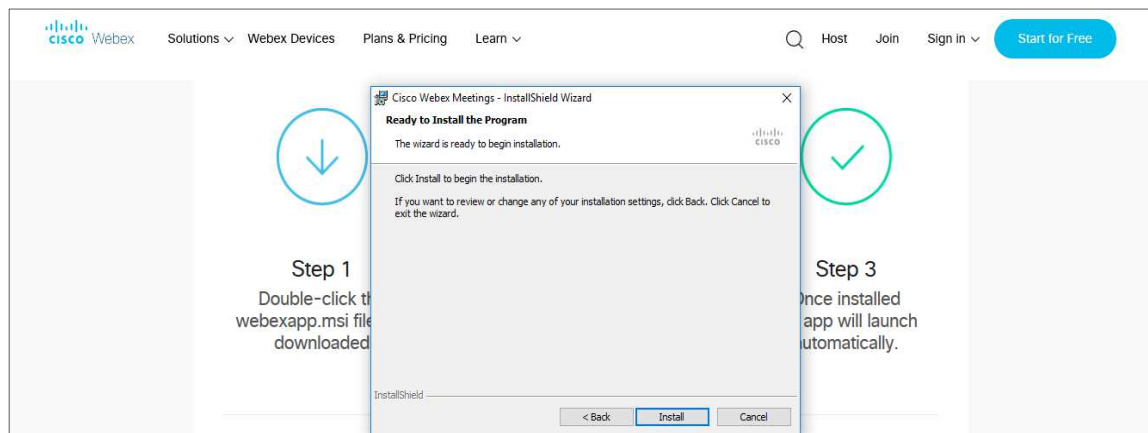
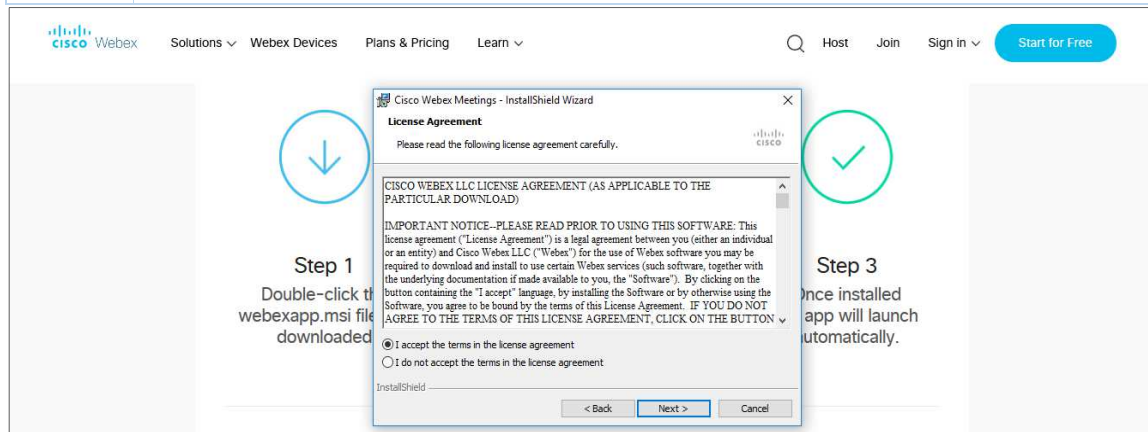
The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.

WARNING: This program is protected by copyright law and international treaties.

< Back Next > Cancel



<b>Step 1</b>	<b>Enter your First Name, Last Name and Email ID and click on Join Now.</b>
<b>1 (A)</b>	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
<b>1 (B)</b>	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <a href="#">Run a temporary application</a> .  Click on <a href="#">Run a temporary application</a> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



or

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



**Event Information:**

**Event status:**

**Date and time:**

**Duration:**

**Description:**

By joining this event, you are accepting the Cisco Webex [Terms of Service](#) and [Privacy Statement](#).

Join Event Now

You cannot join the event now because it has not started.

First name:

Last name:

Email address:

Event password:

Join by browser **NEW!**

If you are the host, [start your event](#).

*Mention your First name, Last name and email address*

**By Order of the Board of Directors**  
HELLA India Lighting Limited

Place: Gurugram  
Dated: 21<sup>st</sup> July, 2020

Sd/-  
Aakritee Khanna  
Company Secretary  
Membership No : A48297  
H.No. 392/9, Subhash Nagar,  
Gurugram, Haryana.

**Registered Office:**  
K-61B, LGF, Kalkaji, New Delhi – 110019.  
T (+91) 124 4658600  
**CIN** U74899DL1959PLC003126  
Wwww.hella.com

**INFORMATION REQUIRED TO BE FURNISHED**

As your Company's is committed towards good Corporate Governance, the particulars of Director who is proposed to be appointed / re-appointed are given below:

Name	:	Mr. Rama Shankar Pandey
Qualification	:	Mechanical Engineer from NIT, Diploma in Business Finance from ICFAI, Green Belt in Six Sigma, Executive Management from Indian Institute of Management, Bangalore.
Brief Profile	:	Mr. Pandey is 43 years old and having decades of rich experience in leading positions with administration of company and drive the loss making company and convert into profit making unit.
Shareholding in the Company	:	Nil
Other Directorships	:	Nil
He is also the member of Audit Committee, Stakeholders' Relationship Committee, Share Transfer Committee & CSR Committee.		

**By Order of the Board of Directors**  
HELLA India Lighting Limited



Place: Gurugram  
Dated: 21<sup>st</sup> July, 2020

**Registered Office:**

K-61B, LGF, Kalkaji, New Delhi – 110019.

**T** (+91) 124 4658600

**CIN** U74899DL1959PLC003126

**W**www.hella.com

Sd/-  
Aakritee Khanna  
Company Secretary  
Membership No : A48297  
H.No. 392/9, Subhash Nagar,  
Gurugram, Haryana.



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

As required by section 102 of the Companies Act, 2013, the following statement sets out all material facts relating to the Special Business mentioned under Item No. 2 & 3 of the accompanying Notice:

### **Item No. 2**

The Board of Directors have approved the appointment of M/s Mushtaq A. Mir & Co., Cost Accountants, Gurugram as the Cost Auditor of the Company to conduct the audit of Cost records of the Company for the financial year ending 31st March, 2021 at the remuneration of Rs. 85,000/- plus applicable taxes, out of pocket expenses if any.

In accordance with the provisions of the Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No.3 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31st, 2021.

None of the Directors /Key managerial Personnel / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 2 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the notice for approval by the Shareholders.

### **ITEM NO. 3**

The members may be informed that the tenure of Mr. Rama Shankar Pandey as a Managing Director would going to expire on 31st December 2020. The members in 57th Annual General Meeting of the company had approved the appointment & remuneration of Mr. Rama Shankar Pandey as a Managing Director of the company for the period of 3 years i.e from 1st January 2018 to 31st December 2020. Therefore, it is proposed to re - appoint Mr. Rama Shankar Pandey as a Managing Director of the company for the period of 3 years i.e. from 1st January 2021 to 31st December 2023.

The Nomination & Remuneration Committee of the Company, in their meeting held on 21st July, 2020 had approved and recommended the said re-appointment and remuneration of Mr. Rama Shankar Pandey as Managing Director for further 3 years with effect from 1st January 2021 to 31st December 2023 after emphasizing on the Notification of Ministry of Corporate affairs vide dated 12th September 2016, where the Ministry has revised the prescribed limit of Schedule V of Companies Act 2013.

The members may be further informed that the Board of Directors in their meeting held on 21st July, 2020 had also approved the re-appointment of Mr. Rama Shankar Pandey as Managing Director for further 3 years with effect from 1st January 2021 to 31st December 2023.

The Company has not committed any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of Mr. Rama Shankar Pandey as Managing Director. The Board recommends the resolution at No. 6 for approval by the Members by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel & their relatives except Mr. Rama Shankar Pandey, being himself, are concerned or interested, financial or otherwise, in this resolution

Information as required by the Schedule V, Section – II of the Companies Act 2013

### **GENERAL INFORMATION**

Nature of Industry: Your Company is engaged in the manufacturing of Automotive Components.

Date of Commencement of Commercial Production: June 1982



Expected date of commencement of activity as per project approved by the financial institution: N.A.

Financial Performance of the Company for Financial Year 2019 - 2020 based on given indicators:

Particulars	Amount(₹)
Net Sales	1,72,62,82,276
Other Income (including operating revenue)	1,70,68,493
Total Expenditure	1,71,71,21,403
Profit before Tax	2,62,29,065
Net Profit	1,90,87,880

Foreign Investments or Collaborators: M/s Hella Holding International GmbH, Germany erstwhile known as Reinhold Poersch GmbH, Germany is having 51% Equity Share Holding in the Company.

The Company also has Technical Assistance Agreement and License Agreement with its group Company - Hella KgaA Hueck & Co., Germany.

#### INFORMATION ABOUT MR. RAMA SHANKAR PANDEY, APPOINTEE

Background details

Name	Mr. Rama Shankar Pandey
Father's Name	Shri Shambhu Nath Pandey
Age	43 years
Qualification	Mechanical Engineer from NIT, Diploma in Business Finance from ICFAI, Green Belt in Six Sigma, Executive Management from Indian Institute of Management, Bangalore.
Past Experience	Approx. 24 years of rich experience in automotive components Industry.
Other Directorships	Nil

Past Remuneration:

Mr. Rama Shankar Pandey was re - appointed as Managing Director in your Company with effect from 1st January 2018 for 3 years. A Gross Salary of ₹ 8133330 per annum along with variable bonus and conveyance, with an annual increment of 20% was approved by Shareholders in 57th Annual General Meeting of the company w.e.f. 01st January 2018 till 31st December 2020.

Thus, past remuneration of Mr. Rama Shankar Pandey, as on 31st March 2020, was ₹ 13778154 per annum.

Recognitions and awards:

Mr. Rama Shankar Pandey has been recognized and awarded by Hella Headquarters in Germany several times for his efforts.

Job Profile and his suitability:

Mr. Rama Shankar Pandey will be responsible for overall day to day management of the Company and shall be vested with substantial power of management of Company's affairs under the supervision and control of the Board of Directors of the Company. Considering the vast and versatile experience of Mr. Rama Shankar Pandey and also his performance during last 3 years, he is very much suitable for the job profile.

Remuneration Proposed:



It is proposed to re- appoint Mr. Rama Shankar Pandey as Managing Director of the Company for the period of three years starting from 1st January 2021 to 31st December 2023. Keeping in view of his role and responsibilities and role in the Company, it is proposed to provide him salary of ₹ ...../- p.a. along with for calendar year 2018 with an annual increment of upto 20% in the gross salary for rest of the two subsequent years subject to amendment from time to time and necessary approvals, if required. You may also like to note that in addition to above, he would also be entitled for variable bonus upto his annual basic salary.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details should be w.r.t. the country of his origin):

For the responsibilities shouldered by Mr. Rama Shankar Pandey as Managing Director of the Company is to managing the various day to day business affairs of the Company, the remuneration of Mr. Rama Shankar Pandey compares favourably with the remuneration paid to the Managing Directors / business heads of companies in similar industry having like sized and similarly positioned businesses including business volume, profit etc.

Pecuniary relationship with the Company or relationship with Managerial personnel, if any:

Apart from his remuneration he doesn't have any other pecuniary relationship with the company.

#### OTHER INFORMATION

Reasons of loss or inadequate profits:

The Company is passing by through a very critical phase. It is important to continuously develop new products with economies of scale to survive in this most competitive environment. Thus, the Company is investing money for their future projects and some of these expenses are having direct impact on profit. The Company also needs to increase their sales by using new technology, introduction of new products and further optimization of cost.

Steps taken or proposed to be taken for improvement:

The Company continues to strive for growth, higher realizations, energy optimization, better working capital management and better asset utilization. The Company is actively pursuing growth opportunities and looking at areas to reduce its cost of production and tap untouched market/area. The Company is evaluating plans to have optimum utilization of the production capacity and to improve its product mix. Also, the performance of the Company is improving year by year now. After taking over as Managing Director by Mr. Rama Shankar Pandey, the Company has increased its turnover manifold and also the company has covered their past losses and recently contributed towards profit making. It is expected to improve further and have adequate profits in the years to come.

3) Expected increase in productivity and profits in measurable terms:

Expected net sales in 2019-20 are expected to be as follows:

Financial Year	Expected Net Sales (₹ in Crores)	Expected Profit/(loss) (₹ in Crores)
2020-21	218	5.5
2021-22	269	7.0
2022-23	299	7.7

#### DISCLOSURES

The shareholders of the company shall be informed of the remuneration package of Mr. Rama Shankar Pandey which is as follows:



Remuneration Package		
Name of the Employee :	Mr. Rama Shankar Pandey (Managing Director)	Gross Salary from 1 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020 is 13778154

Apart from the above remuneration package, Mr. Rama Shankar Pandey shall also be eligible for reimbursement of conveyance expenses at actuals.

Variable bonus will be paid to Mr. Rama Shankar Pandey with a maximum ceiling limit of annual basic salary.

The Board recommends the resolution at 6 for approval by the Members by way of Special Resolution. None of the Directors, Manager, Key Managerial Personnel & their relatives, except Mr. Rama Shankar Pandey, who is a re-appointee, are concerned or interested, financial or otherwise, in this resolution  
**By Order of the Board of Directors**

HELLA India Lighting Limited

Place: Gurugram  
 Dated: 21<sup>st</sup> July, 2020

Sd/-  
 Aakritee Khanna  
 Company Secretary  
 Membership No : A48297  
 H.No. 392/9, Subhash Nagar,  
 Gurugram, Haryana.

**Registered Office:**  
 K-61B, LGF, Kalkaji, New Delhi – 110019.  
 T (+91) 124 4658600  
**CIN** U74899DL1959PLC003126  
 Wwww.hella.com



## DIRECTORS' REPORT

Dear Members,

Your Directors take great pleasure in presenting the 60<sup>th</sup> Annual Report of Hella India Lighting Limited the "Company" on business and operations along with the audited financial statements of accounts for the financial year ended March 2020.

### 1. FINANCIAL SUMMARY

The Company's financial performance, for the year ended March 31<sup>st</sup> 2020 is summarized below:

*(In Thousand INR)*

Particulars	Standalone Year Ended	
	31.03.2020	31.03.2019
Revenue from Operations	17,26,282	19,78,176
Profit Before Tax, Interest and Depreciation	158586	1,69,300
Interest	22324	21,106
Depreciation	108301	73,792
Profit Before Tax	27961	74,402
Current Taxes	19106	23,500
Deferred Taxes	-11483	-3,826
Profit After Tax	20338	54,728
Balance Available for Appropriation	20338	54,728
Transfer to Balance Sheet	20338	54,728
Earnings Per Share ( <i>Nominal Value of Share Rs. 10/-</i> )	6.41	17.26
Basic/Diluted ( <i>Amt. in Rs.</i> )		

### 2. OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The financial year 2019-20 happens to be a normal year as the Company maintained its position with gross revenue from operations ended at INR 1726 Million and decrease of 12.73 % from the previous year. Operating EBITDA is 9.19% and the PBT is 1.62% with PAT stood at INR 20 Million. The EPS stands at INR 6.41.

Your Company continues to retain its customers and at the same time having new associations, which reflects the ongoing trust of our customers to whom we dedicate our daily work.

Your Company is quite optimistic considering the increasing content per vehicle due to various technological advancement and various regulatory measures such as emission, safety regulations etc., the growth in the auto component industry will be relatively higher than the underlying growth in the automotive industry in the medium to long term.

### 3. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

### 4. MATERIAL CHANGES AND COMMITMENTS

During the year under review, there have been no material changes and commitments affecting the affairs/financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

## **5. DIVIDEND**

Your Board of Directors have considered it prudent to plough back the profits into the business in view of proposed capex and working capital requirement for future growth prospects as such your Directors have decided not to recommend any dividend for the year under review.

## **6. TRANSFER TO GENERAL RESERVES**

In view of the further growth plan and planned investments of the Company. Your Directors have decided to retain 100% of Profit after Tax of the year under review for future expansion and propose to transfer to the General Reserve of the Company.

## **7. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT & CORPORATE GOVERNANCE**

Management's Discussion and Analysis and Corporate Governance Report for the year under review is presented in a separate section and forming part of this Annual Report.

## **8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

During the year under review no Company has become or ceased to become its subsidiary(s) or Joint Venture or Associate Company.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) & 134 (5) of the Companies Act, 2013 the Board of Directors hereby confirm, to the extent applicable that:

- (a) in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) 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 as at 31st March, 2020 and of the profit of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a 'going concern' basis;
- (e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **11. DIRECTORS AND KEY MANAGERIAL PERSONNEL(KMP)**

Dr. Nicolas Wiedmann had retired by rotation and was reappointed as Director retiring by rotation at the 59<sup>th</sup> AGM held on 30<sup>th</sup> September, 2019 pursuant to Sec 152(6) of the Companies Act, 2013.

Mr. Anil Sultan continues as Alternate Director of Dr. Nicolas Wiedmann vide appointed as Alternate director of Dr. Nicolas Wiedmann on 25<sup>th</sup> May, 2019.

None of the directors are disqualified as per the provisions of sub section (2) of section 164 of the Companies Act, 2013.

## 12. NUMBER OF MEETINGS OF THE BOARD

The Board met four times during the financial year, the details of which are given in the “*Corporate Governance Report*” and forms part of this Annual Report. The intervening gap between any two meetings were within the period prescribed under the Companies Act, 2013.

## 13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with the related parties were in the ordinary course of business and on an arm’s length basis. There were no materially significant related party transactions made by the Company with promoters, directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large and approval of the board of directors and shareholders were obtained wherever required.

The particulars of Contract or arrangements with related parties referred to in Section 188 (1), as prescribed in Form AOC -2 of the rules prescribed under Chapter IX relating to Accounts of the Companies under the Companies Act, 2013 is appended as **Annexure I**.

## 14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy the “CSR Policy” indicating the activities to be undertaken by the Company, which has been approved by the Board. The Company has been actively participating in CSR activities since its inception and manages and supports various charitable and philanthropic work in the vicinity where it operates. The Annual Report on CSR activities is annexed as **Annexure II** to this report.

## 15. STATEMENT ON RISK MANAGEMENT POLICY

The Board of Directors of the Company periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company’s management systems, organizational structures, processes, standards, together form the Best Management System (BMS) that governs how the Company conducts the business and manages associated risks.

The Company has introduced several improvements such as Internal Controls Management and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by Internal Audit methodologies and processes.

## 16. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such control Systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by the Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee of the Company.

## **17. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent directors have submitted the declaration of Independence to the Company, as required pursuant to section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub section (6).

## **18. DETAILS IN RESPECT OF FRAUDS**

There has been no fraud reported by the auditors of the Company under sub section 12 of section 143 under the Companies Act, 2013.

## **19. AUDITORS AND AUDITORS' REPORT/EXPLANATIONS OR COMMENTS BY THE BOARD**

### **A. Statutory Auditors**

At the 56<sup>th</sup> Annual General Meeting held on September 30, 2016, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366w/w-100018), Gurugram were appointed to hold office till the conclusion of the 61<sup>st</sup> Annual General Meeting to be held in the calendar year 2021. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the members in the ensuing AGM. The Company has received a certificate d from the auditors to the effect if they are appointed; it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Statutory Auditors have submitted their report on financial state of affairs of your Company for the financial year ended 31<sup>st</sup> March,2020. There are no major adverse observations and remarks and are self-explanatory and do not require further explanations.

The other observations made in the Auditor's Report read with relevant notes to the accounts are self-explanatory and hence therefore do not call for any further comments/explanations under section 134(3) of the Companies Act, 2013.

### **B. Cost Auditors**

The Company had appointed M/s Mushtaq A. Mir & Co, Cost Accountants in its Board Meeting held on 4<sup>th</sup> September 2019 for the audit of cost records under 'Electricals or electronic machinery and Other machinery and Mechanical Appliances' for financial year 2019- following the Notification F. No. 52/26/CAB-2010 of Cost Audit Branch of the Ministry of Corporate Affairs dated 24<sup>th</sup> January, 2012. The Cost Auditors' Report for the financial year 2019-20 shall be forwarded to the Central Government as required under law.

### **C. Secretarial Auditor**

During the year under consideration your Company was not required to appoint Secretarial Auditor.

### **D. Internal Auditors**

During the year under review Mr. M/s Pramod Jain, Internal Auditor, a Chartered Accountant by profession, has carried out the Internal Audit and submitted his report on Quarterly basis to the Audit Committee of the Company.

He has been appointed for a further period unless terminated by the Board of directors of the company in their meeting held on 13<sup>th</sup> June, 2017.

## 20. COMMITTEES OF THE BOARD

During the year under review and in accordance with the Companies Act, 2013 and other laws the Company currently has the following committees as under:

- (i) Audit Committee;
- (ii) Stakeholders Relationship Committee;
- (iii) Share Transfer Committee;
- (iv) Nomination and Remuneration Committee;
- (v) Corporate Social Responsibility (CSR) Committee.

Details of all the Committees along with their compositions and meetings held during the year are provided in the “Corporate Governance Report” section in this Annual Report.

## 21. COMPANY POLICY(S)

The Company has adopted the Nomination and Remuneration Policy, Corporate Social Responsibility (CSR) Policy which is placed at [www.hella.co.in](http://www.hella.co.in) → Investors → Policies and Information Related to Directors

## 22. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided as under:

Name of the Entity	Relation	Amount in Rs.	Particulars of Loans, Guarantees and Investments	Purpose for which the loan, guarantee and investment are proposed to be utilized
Not Applicable				

*\*In addition to the above, the Company has given advance against salary to employees of the Company as per the terms of appointment.*

## 23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure III** to this Report and forms integral part of this report.

## 24. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013 an extract of Annual Return in the prescribed format MGT – 9 is annexed herewith as **Annexure IV** to this Report.

## 25. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Rules 5(2) and 5(3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information and other particulars of the employees is as under:

### A. Top Ten Employees

Names of Top Ten Employees Pursuant to Section 197 read with Rule 5 (2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014										
Sl	Name of the employee	Designation of the employee	Remuneration received	Nature of employment, whether Contractual or otherwise	Qualifications & Experience of the employee	Date of Commencement of employment	Age of employee	Last employment held by such employee before joining the company	% of equity shares held by the employee	Whether any such employee is a relative of any director / Manager
1	Ramashankar Pandey	Md	13778154		B.Tech.(Pr odn.Engg. & Mgmt.) +DBF+EG MP+MBA-Mktg.-14 years	07-12-2006	43		Nil	No
2	Manoj Singh	Head - Operations	4475290		Diploma in Mechanical-12 Years	20-11-2008	43		Nil	No
3	Anandhan Venugopal	National Sales Manager - Retail	3388743		Diploma in Mechanical-8 Years	03-10-2012	40		Nil	No
4	K.M. Johnson	National Sales Manager - Special Projects	3169383		MBA (Marketing)-13 Years	18-12-2007	50		Nil	No
5	Kumar Rohit	Deputy General Manager	2881078		MBA-Marketing-17 Years	04-08-2003	44		Nil	No

6	Narender Jain	Deputy General Manager - Finance & Accounts	2588797		M.Com & C.A. -11 Years	23-11-2009	43		Nil	No
7	Gulshan Kumar	Head-Product Marketing , Technical Service & Startegic Projects	2549953		Diploma in Automobile & B tech.-mechanical	03-09-2019	46		Nil	No
8	Rahul Kumar	Dgm-Hr	2503961		MBA-HR, 4 Years	18-03-2016	36		Nil	No
9	Rajnish Khanna	Deputy General Manager	2463538		BE- Elec.- 7 years	17-01-2013	49		Nil	No
10	Mahender Singh	Head - Operations	2447876		MBA-Project Management-8 Years	23-08-2012	39		Nil	No

#### B. Employed part of the year throughout the year

None of the employees of the Company were on receipt of income exceeding INR 8.5 lakhs per month if employed part of the year and in gross receipt of Rs. 1.02 crore if employed throughout the year.

#### 26. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme or provision of money in accordance with any scheme approved by company through special resolution for the purchase of fully paid-up shares in the company held by trustees for the benefit of the employees of the company or such shares held by the employees of the company.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

#### 27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment at all locations and adopted a policy on prevention of sexual harassment at workplace.

The Company is committed to providing work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company is committed to promote a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-20.

No of complaints received	:	Nil
No of complaints disposed off	:	Nil

## **28. STATEMENT ON ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board has laid down manner and criteria of evaluation of Board of its own, Committees and Individual Directors in which annual evaluation of the Board, Committees of the Board and Individual Directors would be evaluated. The evaluation includes various criteria including performance, targets, sincerity towards roles and responsibilities etc.

The Board of Directors has evaluated its Individual Directors (i.e. Executive and Non-executive Director) and the Board itself. After evaluation, the Board found their performance upto the mark and satisfactory.

Evaluation criteria for the Individual Directors is also available on the website of the Company. The link of website as follows:

[www.hella.co.in](http://www.hella.co.in) → Investors → Policies and Information Related to Directors

## **29. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF DIRECTORS ETC.**

Pursuant to Section 178(1) of the Companies Act, 2013 and other applicable provisions thereof, the Board of Directors has constituted Nomination and Remuneration Committee. A Nomination and Remuneration Policy of the Company has also been laid down and approved by the Nomination and Remuneration Committee and Board. The said policy lays down the criteria for the appointment of Directors', Key Managerial Personnel and Senior Management Personnel. The said policy also specifies the appointment and remuneration including criteria for determining qualification, term/tenure, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-executive Directors (including Independent Directors), removal, policy on Board diversity, Directors and Officers' Insurance and other matters as prescribed under the provisions of the Companies Act, 2013. The members of the committee are as follows:

As on 31st March 2019

S. No.	Name of Director	Designation in Nomination & Remuneration Committee
1	Mr. Avinash Razdan Bindra	Member
2	Dr. Nicolas Wiedmann	Member
3	Mr. Tarun Gulai	Member

[www.hella.co.in](http://www.hella.co.in) → Investors → Policies and Information Related to Directors



### **30. ACKNOWLEDGEMENT**

The Board of Directors acknowledges with gratitude the co-operation and assistance provided to your Company by its bankers, financial institutions, government and other agencies. Your Directors thank the customers, vendors and other business associates for their continued support in the company's growth.

Your Directors also wish to place on record their appreciation to the contribution made by employees because of which, the Company has achieved impressive growth through the competence, hard work, solidarity and co-operation at all levels.

**For and on behalf of Board of Directors**  
HELLA India Lighting Limited

**Place:** Gurugram  
**Dated:** 21<sup>st</sup> July, 2020

Sd/-

Mr. Rama Shankar Pandey  
Managing director  
DIN- 02848326  
6<sup>th</sup> Floor, Plot No – 184,  
Platinum Tower, Udyog Vihar,  
Phase – 1, Gurgaon, PIN-  
122016

Sd/-

Mr. Anil Sultan  
Alternate Director  
DIN- 00467681  
6<sup>th</sup> Floor, Plot No - 184,  
Platinum Tower, Udyog Vihar,  
Phase – 1, Gurgaon, Pin -  
122016

**Registered Office:**  
K-61B, LGF, Kalkaji, New Delhi – 110019.  
T (+91) 124 4658600  
**CIN** U74899DL1959PLC003126  
**W**www.hella.com

**ANNEXURE I**

**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

Sl.	Particulars	Details
A	Name(s) of the related party and nature of relationship;	<b>Not Applicable</b>
B	Nature of contracts/arrangements/transactions;	
C	Duration of the contracts / arrangements/transactions;	
D	Salient terms of the contracts or arrangements or transactions including the value, if any;	
E	Justification for entering into such contracts or arrangements or transactions;	
F	Date(s) of approval by the Board;	
G	Amount paid as advances, if any;	
H	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

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

Sl.	Particulars	Details
A	Name(s) of the related party and nature of relationship;	<b>As per mentioned in Notes to Financials of 2.30.</b>
B	Nature of contracts/arrangements/transactions;	
C	Duration of the contracts / arrangements/transactions;	
D	Salient terms of the contracts or arrangements or transactions including the value, if any;	
E	Date of approval by the Board, if any;	
F	Amount paid as advances, if any;	

Details of related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives or with the subsidiaries of the Company etc. are present under Note no 2.30 of the notes forming part of the financial statements for the year ended 31st March, 2020 to Annual Accounts.

**For and on behalf of Board of Directors**  
HELLA India Lighting Limited

**Place:** Gurugram  
**Dated:** 21<sup>st</sup> July , 2020

Sd/-

Mr. Rama Shankar Pandey  
Managing director  
DIN- 02848326  
6<sup>th</sup> Floor, Plot No – 184,  
Platinum Tower, Udyog Vihar,  
Phase – 1, Gurgaon, PIN-  
122016

Sd/-

Mr. Anil Sultan  
Alternate Director  
DIN- 00467681  
6<sup>th</sup> Floor, Plot No - 184,  
Platinum Tower, Udyog Vihar,  
Phase – 1, Gurgaon, Pin -  
122016

**Registered Office:**  
K-61B, LGF, Kalkaji, New Delhi – 110019.  
T (+91) 124 4658600  
**CIN** U74899DL1959PLC003126  
Wwww.hella.com

**ANNEXURE II**

**Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19**  
 (As prescribed under Section 135 of the Companies Act, 2013 and The Companies  
 (Corporate Social Responsibility Policy) Rules 2014)

S. No.	Particulars	Remarks																
1.	A Brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	<p>Your company believes that Corporate Social Responsibility is a means to achieve a balance of economic, environmental and social imperatives, while addressing the expectations of shareholders and all stakeholders. It is a responsible way of doing business. At Hella India Lighting Limited, our CSR strategy focuses on aligning corporate goals with development goals thereby enabling inclusive growth. Through the CSR initiatives, your Company strives to provide informal education through skill development and mostly Road Safety activity as awareness campaign, walkathon etc. in association with Drive Smart Drive Safe (D2S) being promoted by the Company in association with other like-minded institutions in this reporting year.</p> <p>The Company has adopted the CSR policy which is in compliance with Schedule VII read with Section 135 of the Companies Act, 2013.</p> <p>The complete CSR policy of the company is available on the website of the company and can be assessed at <a href="http://www.hella.co.in">www.hella.co.in</a>.</p>																
2.	The Composition of the CSR Committee	<p>The composition of the Committee is as under:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Name</th> <th>Position</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Mr. Rama Shankar Pandey</td> <td>Managing Director</td> <td>Member</td> </tr> <tr> <td>2.</td> <td>Mr. Avinash Razdan Bindra</td> <td>Independent Director</td> <td>Member</td> </tr> <tr> <td>3.</td> <td>Mr. Tarun Gulati</td> <td>Independent Director</td> <td>Member</td> </tr> </tbody> </table>	S. No.	Name	Position	Status	1.	Mr. Rama Shankar Pandey	Managing Director	Member	2.	Mr. Avinash Razdan Bindra	Independent Director	Member	3.	Mr. Tarun Gulati	Independent Director	Member
S. No.	Name	Position	Status															
1.	Mr. Rama Shankar Pandey	Managing Director	Member															
2.	Mr. Avinash Razdan Bindra	Independent Director	Member															
3.	Mr. Tarun Gulati	Independent Director	Member															
3.	Average net profit of the Company for the last three financial years	Rs. 7,82,97,696																

4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 15,65,954
5.	Details of CSR spent during the financial year:	Rs. 15,70,000
	(a) Total amount to be spent for the financial year	Rs. 15,70,000
	(b) Amount unspent, if any	NIL
	(c) Manner in which the amount spent during the financial year:	

CSR Project/ Activity identified	Sector in which the project is covered	Location of the project/program	Amount outlay (Budget Amt in Rs.)	Amount spent on the project or programs (Amt. In Rs.)	Cumulative expenditure up to the reporting period (Amt. In Rs.)	Amount spent direct or implementing agency
Road Safety through Drive Smart Drive Safe	Road Safety	Gurgaon, Haryana	15,70,000	15,70,000	15,70,000	Implementing Agency
<b>Grand Total</b>			<b>15,70,000</b>	<b>15,70,000</b>	<b>15,70,000</b>	

6. Reasons for not spending the amount:

**Not Applicable.**

#### RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

**For and on behalf of Board of Directors**  
HELLA India Lighting Limited

Sd/-

Sd/-

Rama Shankar Pandey  
Managing Director  
DIN- 02599816  
6<sup>th</sup> Floor, Plot No – 184,  
Platinum Tower, Udyog Vihar,  
Phase – 1, Gurgaon, PIN-  
122016

Tarun Gulati  
Chairman CSR Committee  
DIN- 07323709  
B-159, Vivek Vihar,  
New Delhi, Pin - 110092

**Place:** Gurugram  
**Dated:** 21<sup>st</sup> July, 2020

**ANNEXURE III****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report of the year ended March 31, 2019.

<b>A. CONSERVATION OF ENERGY</b>	
i) the steps taken or impact on conservation of energy.	Maintenance of machines play a vital role in energy saving. We undertake preventive maintenance on regularly intervals to make machines & utilities in perfect running condition & HVAC running on 26 degree instead of 24 for energy saving, "Saved HVAC energy cost by closing the cooling losses" "Approx 61300 KWH saved per Annum"
ii) the steps taken by the Company for utilizing alternate sources of energy.	PPA signed of Solar Plant with 340 KW Capacity in FY 20-21, installations will be started from "3rd week of June 2020, Target for completion- 4th week of September"
iii) the capital investment on energy conservation equipments;	Invested 2.5 lakh on lighting of plant to convert CFL to LED lights to save energy (Remarks- Task Completed), "Approx 48240 KWH saved per Annum"

**B. TECHNOLOGY ABSORPTION**

i) the efforts made towards technology absorption;	<ul style="list-style-type: none"> <li>• Installed 10 no's Dryer &amp; 3000L capacity Dehumidifier for plastic granule preheating.</li> <li>• Installed 350 meter centralized material conveyer line installed for plastic material conveying on machine from dryer.</li> <li>• Relocation of Robots and Vibration Welders Welder. Ultrasonic Welder 4:1 - Trial taken of one unit, separation done.</li> <li>• Dust Particle counter for monitoring Dust level in coating line.</li> <li>• Anemometer for measuring of Air flow in coating line</li> </ul>
ii) the benefits derived like product improvement, cost reduction, production development, import substitution;	<p>With this above efforts, the Company was able to drive following benefits: -</p> <ul style="list-style-type: none"> <li>➤ Enhancement of experience and knowledge of the people to be used in new projects.</li> <li>➤ Electrical testing, Environmental test, rapid corrosion test, photometry and colorimetry test performed inhouse.</li> <li>➤ Better Quality Control, production development.</li> <li>➤ Faster product development cycle with Cost reduction.</li> </ul>

## Hella India Lighting Limited

iii) in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):	The Company has imported in the FY 2018/19, 10 Molding machines, Hard Coating setup and BMC Coating Setup with Robots from HA Plant.
a. the details of technology imported;	<ul style="list-style-type: none"> <li>• 10 nos Dryer bin with 3000 L capacity dehumidifier</li> <li>• Coating Thickness Spectrometer</li> <li>• Glue Hardness Tester</li> <li>• UV 5T3 Logger For Coating line</li> <li>• Helum Leak Testing setup for Laboratory</li> </ul>
b. the year of import;	2019-2020
c. whether the technology been fully absorbed;	Yes
d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof; and	Not Applicable
iv) the expenditure incurred on Research and Development.	<p>For FY19-20, 1.26 Cr. Budget allocated for thermal shock chamber, SST, IPX test setup, resistance to reagent test, power supply, load bank.</p> <p>--&gt; DC Power supply 375A installed and under use for testing of Electrical &amp; mechanical Isolator switch.</p> <p>--&gt; Variable load bank 300A(12V / 24V) &amp; 100A (12V / 24V) installed and under use for testing of Electrical &amp; mechanical Isolator switch.</p> <p>--&gt; Resistance to reagent test setup established and under use for testing of lamps.</p> <p>--&gt; SST 1000 Ltr chamber (WEISS) received on May last week and installation under progress.</p> <p>--&gt; Thermal shock chamber TS120 (WEISS) received on May last week and installation under progress.</p> <p>--&gt; IPX4K/5K/6K/7/8/9K commercial purchase order submitted to manufacturer. Manufacturing is under progress. Time line delayed by 2 month due to COVID-19 effect.</p>

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO***Amount in Thousand INR*

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Earnings	2,96,940	2,72,858
Outgo	3,89,040	547,673

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The intense competition among the vendors has resulted in increased investment in R&D and implementation of high technology solutions in machine tools. Another major contributor to India's growing reputation is the emergence of the market as a key innovator auto component and knowledge hub for many overseas firms.

The new threat imposed by nCovid 19 has put another threat to humanity and industry as a whole.

## MANAGEMENT PERCEPTION OF RISK & CONCERN

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improve the governance practices across the Company's activities. Risk management policy and processes enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

The specific objectives of the Risk Management Policy are:

1. To ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
2. To establish a framework for the company's risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

The Board of Directors of the Company periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Management is responsible for ensuring that risks are identified, analyzed, evaluated and mitigated. Management monitor and report on material risks identified through the internal and external audit process.

The Internal Audit program is aligned to the company's risk profile and is responsible for providing independent assurance in relation to the effectiveness of processes to manage particular areas of risk. The scope of internal audit's risk-based program is agreed to as part of an annual plan which is refined as necessary

Head of Departments are responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

## CORPORATE GOVERNANCE REPORT

### I. Company's Philosophy on Corporate Governance

The Corporate Governance Philosophy at your company is:

- a) To ensure highest level of integrity and quality.
- b) To ensure observance of highest standards and levels of transparency, accuracy and accountability and reliability in the organization.
- c) To ensure protection of wealth and other resources of the company for maximizing the benefits to the stakeholder of the company.
- d) Your company ensures best performance by staff at all levels to maximize the operational efficiency and enhancing the stakeholder's value.



## II. Board of Directors

The Board of Directors of your Company is well constituted with an adequate numbers Directors. You Company is required to appoint Independent Directors. As on date of this report, the Board consists of four Directors. Your Company comprises of One whole time directors, One Non-Executive directors and two Independent Director. The composition of Board represents an optimal mix of professionals, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The Agenda for the Board meeting includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

### Board Meetings

The Board met four times in financial year 2019-20 viz on 23.05.2019, 04.09.2018, 16.12.2019 and 06.03.2020. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year are as under:

Name	Category	Number of Meetings held during the year 2019-20	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	4	4
Dr. Nicolas Wiedmann	Non-Executive Director	4	1
Mr. Avinash Razdan Bindra	Independent Director	4	4
Mr. Tarun Gulati	Independent Director	4	4

None of the Directors is member of the Board of more than fifteen Companies or a member of more than ten Board- level Committees or a Chairman of more than five such Committees.

## III. COMMITTEE(S) OF THE BOARD

The Board Committee(s) play a crucial role in the governance structure of the Company. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

The Minutes of the meetings of all Committees are placed before the Board for their review and recommendations.

Currently the Board has Five committee which is enumerated as below:-

a) Audit Committee

The Audit Committee met four times in financial year 2019-20 viz on 23.05.2019, 04.09.2018, 16.12.2019 and 06.03.2020. The names and categories of the members on the Committee, their attendance at Audit Meetings held during the year are as under:

## Hella India Lighting Limited

Name	Category	Number of Meetings held during the year 2019-20	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	4	4
Mr. Avinash Razdan Bindra	Independent Director	4	4
Mr. Tarun Gulati	Independent Director	4	4

## b) Stakeholders Relationship Committee

The Stakeholder Relationship Committee met one times in financial year 2019-20 viz on 04.09.2019. The names and categories of the members on the Committee, their attendance at Committee Meetings held during the year are as under:

Name	Category	Number of Meetings held during the year 2018-19	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	1	1
Mr. Avinash Razdan Bindra	Independent Director	1	1
Mr. Tarun Gulati	Independent Director	1	1

## c) Share Transfer Committee

The Share Transfer Committee met one times in financial year 2019-20 viz on 04.09.2019. The names and categories of the members on the Committee, their attendance at Committee Meetings held during the year are as under:

Name	Category	Number of Meetings held during the year 2018-19	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	1	1
Mr. Avinash Razdan Bindra	Independent Director	1	1
Mr. Tarun Gulati	Independent Director	1	1

## d) Nomination and Remuneration Committee

The Nomination and Remuneration Committee met one times in financial year 2019-20 viz on 04.09.2019. The names and categories of the members on the Committee, their attendance at Committee Meetings held during the year are as under:

Name	Category	Number of Meetings held during the year 2018-19	
		Held	Attended
Dr. Nicolas Wiedmann	Executive Director	1	0
Mr. Avinash Razdan Bindra	Independent Director	1	1
Mr. Tarun Gulati	Independent Director	1	1

## e) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee met two times in financial year 2019-20 viz on 23.05.2019, 04.09.2019. The names and categories of the members on the Committee, their attendance at Committee Meetings held during the year are as under:

Name	Category	Number of Meetings held during the year 2018-19	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	2	2
Mr. Avinash Razdan Bindra	Independent Director	2	2
Mr. Tarun Gulati	Independent Director	2	2

The Executive of the Board, in consultation with the Company Secretary and the Committee chairperson, determines the frequency and duration of the committee meetings. The quorum for meetings is either two members or one-third of the members of the committee, whichever is higher.

**SHAREHOLDER INFORMATION****V. GENERAL BODY MEETING(S)****i. Annual General Body Meeting**

Previous three Annual General Meetings held:

Financial Year	Date	Time	Venue
2018-19	30.09.2019	9:30	The Muse Sarovar Portico, New Delhi – 100037
2017-18	24.08.2018	9:30	Tivoli Garden Resort Hotel, Chhattarpur Hills, Chattarpur, New Delhi-110 074
2016-17	21.09.2017	9:00	Resort Green Villa, The Nikunj (Nitesh Kunj) Hotel Complex, Gate No. 2, N.H.-8, Samalka, 1 KM ahead from Shiv Murti, New Delhi – 110037

**ii. Extraordinary General Meeting**

Previous three Extraordinary General Meeting held:

Financial Year	Date	Time	Venue
2016-17	28.04.2016	9:00	Hotel Aravali Villa, F.H.-1, Bandh Road, near Nitesh Kunj Farm House, N.H.-8, Rajokari, New Delhi - 110038

**ANNEXURE IV**

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31<sup>st</sup>, 2019

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

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	U74899DL1959PLC003126
ii)	Registration Date	04-09-1959
iii)	Name of the Company	Hella India Lighting Limited
iv)	Category / Sub-Category of the Company	Limited by Shares
v)	Address of the Registered office and contact details	K61-B, LGF, Kalkaji, New Delhi – 110 019 Tel: +91 124 4658600 Fax: +91 124 4658699 Email: aakritee.khanna@hella.com www. hella.com
vi)	Whether listed company, if yes, name of the Stock Exchange where listed	No, Unlisted
vii)	Name, Address and contract details of the Registrar and Transfer Agent, if any.	Link Intime India Pvt. Ltd. 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028 Contact Details: Contact No : (011) 41410592 Fax No. (011) 41410591 Email: delhi@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

**As per Attachment A**

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

**As per Attachment B**

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)**

i) Category-wise Share Holding	<b>As per Attachment C</b>
ii) Shareholding of Promoters	<b>As per Attachment D</b>
iii) Change in Promoters' Shareholding ( <i>Specify if there is no change</i> )	<b>As per Attachment E</b>
iv) Shareholding Pattern of top ten Shareholders (other than Directors, and Promoters and holders of GDRs and ADRs)	<b>As per Attachment F</b>
v) Shareholding of Directors and Key Managerial Personnel	<b>As per Attachment G</b>

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment **As per Attachment H**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A.** Remuneration to Managing Director, Whole-time Directors and/or Manager **As per attachment I**

**B.** Remuneration to other directors **As per Attachment J**

**C.** Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD **As per Attachment K**

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES** **As per Attachment L**

**ATTACHMENT A**

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sl. No.	Name and Description of main products/services	NIC Code of the product/service *	% to total turnover of the company #
	Manufacturing of:		
1.	Horns	3748	17%
2.	Lamps	3748	59%

\* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

# On the basis of Gross Turnover

**ATTACHMENT B****III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary /Associate	% of Shares held*	Applicable Section
1.	Hella Holding International GmbH	Rixbecker Str. 75, Lippstadt, Germany	Not Applicable	Holding	51	2(46)

## ATTACHMENT C

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	0	0	0.00	0	0	0	0	0
b) Central Govt.	0	0	0	0.00	0	0	0	0	0
c) State Govt(s).	0	0	0	0.00	0	0	0	0	0
d) Bodies Corporate	1,000,990	0	1,000,990	31.56	1,001,490	0	1,001,490	31.58	0.02
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB - TOTAL (A) (1)</b>	<b>1,000,990</b>	<b>0</b>	<b>1,000,990</b>	<b>31.56</b>	<b>1,001,490</b>	<b>0</b>	<b>1,001,490</b>	<b>31.58</b>	<b>0.02</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	1,617,400	0	1,617,400	51.00	1,617,400	0	1,617,400	51.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB - TOTAL (A) (2)</b>	<b>1,617,400</b>	<b>0</b>	<b>1,617,400</b>	<b>51.00</b>	<b>1,617,400</b>	<b>0</b>	<b>1,617,400</b>	<b>51.00</b>	<b>0.00</b>
<b>TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+ (A)(2)</b>	<b>2,618,390</b>	<b>0</b>	<b>2,618,390</b>	<b>82.56</b>	<b>2,618,890</b>	<b>0</b>	<b>2,618,890</b>	<b>82.58</b>	<b>0.02</b>
<b>B PUBLIC SHAREHOLDING</b>									
<b>1 Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	100	0	100	0.00	100	0	100	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others specify	0	0	0	0.00	0	0	0	0.00	0.00

## Hella India Lighting Limited

<b>SUB - TOTAL (B) (1)</b>	100	0	100	0.00	100	0	100	0.00	0.00
<b>2. Non-institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	17079	20,780	37,859	1.19	38,880	0	38,880	1.23	0.
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
<b>b) Individuals</b>									
I) Individual shareholders holding nominal share capital up to Rs. 2 lakh	169,712	198,979	368,691	11.63	186,283	208,299	394,582	12.44	0.81
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	88,368	11120	99,488	3.14	70,929	0	70,929	2.25	2.24
<b>c) Others specify</b>									
i) NRIs	35,366	4,160	39,526	1.24	35,322	4,160	39,482	1.24	0.00
ii) Clearing Members	229	0	229	0.01	0	0	0	0	-0.01
iii) Hindu Undivided Families	7,117	0	7,117	0.24	8,537	0	8,537	0.26	0.02
<b>SUB - TOTAL (B) (2)</b>	<b>317,871</b>	<b>235,039</b>	<b>552,910</b>	<b>17.44</b>	<b>339,951</b>	<b>212,459</b>	<b>552,410</b>	<b>17.44</b>	<b>0</b>
<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)</b>	<b>317,971</b>	<b>235,039</b>	<b>553,010</b>	<b>17.44</b>	<b>340,051</b>	<b>212,459</b>	<b>552,510</b>	<b>17.44</b>	<b>0</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS&amp; ADRS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRANDTOTAL (A+B+C)</b>	<b>2,936,361</b>	<b>235,039</b>	<b>3,171,400</b>	<b>100</b>	<b>2,958,941</b>	<b>212,459</b>	<b>3,171,400</b>	<b>100</b>	<b>0</b>

## ATTACHMENT D

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31-03-2019)			Shareholding at the end of the year (As on 31-03-2020)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares *	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares *	% change in shareholding during the year
1.	Hella India Automotive Private Limited	1,000,990	31.56		1,001,490	31.58		0.02
2.	Hella Holding International, GmbH	1,617,400	51.00	0	1,617,400	51.00	0	0.00
	<b>Total</b>	<b>2,618,390</b>	<b>82.56</b>	<b>0</b>	<b>2,618,890</b>	<b>82.58</b>	<b>0</b>	<b>0.02</b>

## ATTACHMENT E

## iii) Change in Promoters' Shareholding

Shareholder Name	Shareholding at the beginning of the year (As on 01-04-2019)		Cumulative Shareholding during the Year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Hella India Automotive Private Limited	1,000,990	31.56	1,001,490	31.58

## ATTACHMENT F

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

For Each of the top ten Shareholders	Shareholding at the beginning of the Year 01.04.2019		Shareholding during the year (01-04-19 to 31-03-20)			Cumulative Shareholding during the year (01-04-19 to 31-03-20)	
	No. of Shares	% of total Shares of the company	Date	Increase/ Decrease In Shareholding	Reason	No. of Shares	% of total Shares of the company
Bhagwan Advani	47318	1.4920	-	-	-	47318	1.4920
Krishna Kumar Dharamshi Somaiya	33101	1.0437	-	-	-	33101	1.0437



## Hella India Lighting Limited

Ashok J Thawani	23611	0.7445	-	-	-	23611	0.7445
Megha Anil Udar	18139	0.5720	-	-	-	18139	0.5720
Dgl Pvt Ltd	13680	0.4314	-	-	-	13680	0.4314
Shakuntla Kohli	11120	0.3506	-	-	-	11120	0.3506
Rajul Manoj Shah	8740	0.2756	-	-	-	8740	0.2756
Shashank S Khade	8299	0.2617	-	-	-	8299	0.2617
Kalpesh Harshad Kinariwala	8053	0.2539	-	-	-	8053	0.2539
Fortune Financial And Equities Services Private Limited	8000	0.2523	-	-	-	8000	0.2523

## ATTACHMENT G

## v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the Year 01.04.2019		Shareholding during the year (01-04-19 to 31-03-20)			Cumulative Shareholding during the year (01-04-19 to 31-03-20)	
	No. of Shares	% of total Shares of the company	Date	Increase/Decrease In Shareholding	Reason	No. of Shares	% of total Shares of the company
Not applicable							

## ATTACHMENT H

## V. INDEBTENDNESS

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

	Amount in thousand INR			
	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2019)</b>				
i) Principal Amount	NA	27,16,66,667	NA	
ii) Principal amount of CC Limit	NA	13,74,31,514	NA	
ii) Interest due but not paid	NA	3215894	NA	
iii) Interest accrued but not due	NA		NA	
<b>TOTAL (i+ii+iii)</b>	NA		<b>NA</b>	
<b>Change in Indebtedness during the financial year</b>				
Addition	NA		NA	

## Hella India Lighting Limited

Reduction	NA	5,36,41,405	NA	2.16 cr ECB paid +3.19 cr reduced CC balance
<b>Net Change</b>	NA		NA	
<b>Indebtedness at the end of the financial year (31.03.2020)</b>				
i) Principal Amount	NA	25,00,00,000	NA	
ii) Principal amount of CC limit	NA	10,54,56,776	NA	
ii) Interest due but not paid -	NA	1,12,64,063	NA	
iii) Interest accrued but not due	NA		NA	
<b>TOTAL (i+ii+iii)</b>		<b>36,67,20,839</b>	<b>NA</b>	

## ATTACHMENT I

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S No.	Particulars of Remuneration	Amount in Rs.	Total Amount
		Rama Shankar Pandey (Managing Director) <sup>1</sup>	
1	<b>Gross salary</b> (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	<b>13778154</b>	<b>13778154</b>
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission a. As % of profit b. Other, specify	NIL	NIL
5	Other, please specify	None	None
	Total (A)		
	No Ceiling as per the Act, the Company being Private Limited	NA	NA

<sup>1</sup> The above figure doesn't include the contribution to Provident Fund amounting to Rs. 610503

## ATTACHMENT J

## B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration			
		Mr. Avinash Razdan Bindra	Mr. Tarun Gulati	(Amt. in Rs.) Total Amount
1.				
	Fee for attending board / committee meetings	96000	74000	170000
	Commission	0	0	0
	Others, please specify	0	0	0
	<b>TOTAL (1)</b>			<b>170000</b>
2.				
	Fee for attending board / committee meetings	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	<b>TOTAL (2)</b>	0	0	0
	<b>TOTAL (B)=(1+2)</b>			<b>170000</b>
	<b>TOTAL MANAGERIAL REMUNERATION*</b>			
	<b>Overall Ceiling as per the Act</b>			

\* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

**ATTACHMENT K****C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:****(Amount in Rs.)**

<b>S No.</b>	<b>Particulars of Remuneration</b>	<b>Name of the KMP</b>		<b>Total Amount</b>
		Mr. Narender Jain <sup>2</sup> (CFO)	Ms. Aakritee Khanna (Company Secretary) <sup>3</sup>	
1	<b>Gross salary</b> (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	<b>3169383</b>	<b>575754</b>	<b>3745137</b>
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission a. As % of profit b. Other, specify	NIL	NIL	NIL
5	Other, please specify	None	None	None
	Total (A)	<b>3169383</b>	<b>575754</b>	<b>3745137</b>
	Ceiling as per the Act	NA	NA	NA

**ATTACHMENT L****VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty /punishment /compounding fees imposed</b>	<b>Authority (RD/ NCLT/ COURT)</b>	<b>Appeal made, if any (give details)</b>
<b>A. COMPANY</b>					
Penalty			<b>Nil</b>		
Punishment			<b>Nil</b>		
Compounding			<b>Nil</b>		
<b>B. DIRECTORS</b>					

<sup>2</sup> The above figure doesn't include the contribution to Provident Fund amounting to Rs. 138042<sup>3</sup> The above figure doesn't include the contribution to Provident Fund amounting to Rs. 36753

**Hella India Lighting Limited**

Penalty	<b>Nil</b>
Punishment	<b>Nil</b>
Compounding	<b>Nil</b>
<b>C. OTHER OFFICERS IN DEFAULT</b>	
Penalty	<b>Nil</b>
Punishment	<b>Nil</b>
Compounding	<b>Nil</b>

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Hella India Lighting Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Hella India Lighting Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board/Director's report including annexures to Directors/Board's Report, but does not include the financial statements and our auditor's report thereon.

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our





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information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note 4.31 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer note 4.30(b) to the financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer note 4.43 to the financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
(UDIN: 20105546AAAABY5549)

Place: Gurugram

Date: July 21, 2020

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Hella India Lighting Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



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

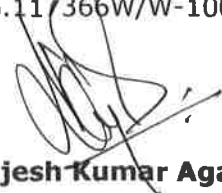
**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For Deloitte Haskins and Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
(UDIN: 20105546AAAABY5549)

Place: Gurugram

Date: July 21, 2020

# **Deloitte Haskins & Sells LLP**

## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items once in a year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. During the year, certain fixed assets were physically verified by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the erstwhile name of the Company "J.M.A. Industries Limited" as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease have been disclosed under Right to Use of Assets and leasehold improvements are disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals other than for inventories lying with third parties at the end of the year for which confirmations have been obtained and no material discrepancies were noticed on physical verification.
  - (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the Order is not applicable.
  - (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
  - (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained we have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
  - (vii) According to the information and explanations given to us, in respect of statutory dues:
    - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.



## Deloitte Haskins & Sells LLP

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Sales Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved and not paid (Rs. in Thousand)
Punjab VAT Act 2005	Sales Tax	Punjab VAT Tribunal	AY 2012-13	439 <sup>1</sup>
Punjab VAT Act 2005	Sales Tax	Deputy Excise and Taxation Commissioner (Appeals)	AY 2011-12	284 <sup>2</sup>
Income-tax Act, 1961	Income-tax	Commissioner of Income Tax (Appeals)	AY 2017-18	74,874 <sup>3</sup>

<sup>1</sup>Net of Rs. 146 thousand paid under protest

<sup>2</sup>Net of Rs. 94.65 thousand paid under protest

<sup>3</sup>Net of Rs. 12,500 thousand paid under protest

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



**Deloitte  
Haskins & Sells LLP**

- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Rajesh Kumar Agarwal**  
Partner  
(Membership No. 105546)  
(UDIN: 20105546AAAABY5549)

Place: Gurugram

Date: July 21, 2020

Accountant's Copy

HELLA INDIA LIGHTING LIMITED

BALANCE SHEET AS AT 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
a) Property, Plant and Equipment	4.01 (a)	4,25,082	4,06,993
b) Capital work in progress	4.01 (b)	1,88,691	1,94,346
c) Other intangible assets	4.02 (a)	915	1,303
d) Right of use assets	4.02 (b)	19,617	-
e) Financial assets			
(i) Investments	4.03	20	20
(ii) Other financial assets	4.04	7,493	6,769
(f) Deferred tax assets (net)	4.05	12,731	872
(g) Other tax assets	4.06	23,032	-
(h) Other non-current assets	4.07	13,227	14,171
<b>Total non-current assets</b>		<b>6,90,808</b>	<b>6,24,474</b>
<b>Current assets</b>			
a) Inventories	4.08	2,25,618	2,03,637
b) Financial assets			
(i) Trade receivables	4.09	2,96,080	3,43,576
(ii) Cash and bank balance	4.10	76,041	2,46,798
(iii) Other financial assets	4.11	336	117
c) Other current assets	4.12	1,21,234	90,510
<b>Total current assets</b>		<b>7,19,309</b>	<b>8,84,638</b>
<b>Total Assets</b>		<b>14,10,117</b>	<b>15,09,112</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	4.13	31,714	31,714
b) Other Equity		4,42,556	4,24,627
<b>Total Equity</b>		<b>4,74,270</b>	<b>4,56,341</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	4.14	2,96,144	2,91,365
(ii) Lease liabilities	4.36	11,000	-
b) Provisions	4.15	39,416	32,723
c) Other non-current liabilities	4.16	4,644	3,833
<b>Total non current liabilities</b>		<b>3,51,204</b>	<b>3,27,921</b>
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	4.17	1,05,457	1,37,432
(ii) Lease liabilities	4.36	10,676	-
c) Trade payables			
(i) Total outstanding dues of micro and small enterprises	4.18	76,526	51,978
(ii) Total outstanding dues of other than micro and small enterprises		3,19,032	3,53,841
(iv) Other financial liabilities	4.19	20,450	1,13,023
b) Provisions	4.20	39,318	40,491
c) Other current liabilities	4.21	13,184	26,587
d) Other current tax liabilities	4.22	-	1,498
<b>Total current liabilities</b>		<b>5,84,643</b>	<b>7,24,850</b>
<b>Total Equity and Liabilities</b>		<b>14,10,117</b>	<b>15,09,112</b>

See accompanying notes forming part of the financial statements

1 to 4.46

In terms of our report attached

For Dnaito Haskins & Sells LLP  
Chartered Accountants

Rajesh Kumar Agarwal  
Partner

For and on behalf of the Board of Directors  
Hella India Lighting Limited

Rama Shankar Pandey  
Managing Director  
DIN : 02848326

Ankritee Khanna  
Company Secretary  
ACS : 48297

Anil Sultan  
Director  
DIN : 00467681

Narender Jain  
Chief Financial Officer  
FCA : 511778



Place: Gurugram  
Date: July 21, 2020

Place: Gurugram  
Date: July 21, 2020

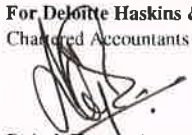
**HELLA INDIA LIGHTING LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2020**  
*(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue from operations</b>			
Revenue from operations	4.23	17,26,282	19,78,176
Other income	4.24	17,068	20,827
<b>Total income</b>		<b>17,43,350</b>	<b>19,99,003</b>
<b>Expenses</b>			
Cost of materials consumed	4.25	9,56,605	11,34,000
Purchase of stock-in-trade (traded goods)		68,732	61,713
Changes in inventories of finished goods, work-in-progress and traded goods	4.26	(5,184)	5,197
Employee benefit expenses	4.27	2,20,369	2,05,604
Finance cost	4.28	24,346	21,106
Depreciation and amortisation expense	4.01	90,517	73,792
Impairment loss	4.01	17,784	-
Other expenses	4.29	3,43,952	4,23,189
<b>Total expenses</b>		<b>17,17,121</b>	<b>19,24,601</b>
<b>Profit before tax</b>		<b>26,229</b>	<b>74,402</b>
<b>Tax expense/ (benefit)</b>			
(a) Current tax expense		18,480	25,679
(b) Prior year tax expenses		73	(2,179)
(c) Net current tax expense		18,553	23,500
(d) Deferred tax (credit)/charge		(11,412)	(3,825)
Net tax expenses		<b>7,141</b>	<b>19,675</b>
<b>Profit for the year</b>		<b>19,088</b>	<b>54,727</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the post employment defined benefit plans		(1,606)	(657)
(b) Income tax relating to items that will not be reclassified to profit or loss		447	183
<b>Total other comprehensive income</b>		<b>(1,159)</b>	<b>(474)</b>
<b>Total comprehensive income</b>		<b>17,929</b>	<b>54,253</b>
Earning per share (face value Rs 10 each)			
-Basic and diluted earning per share (Rs.)	4.37	<b>6.02</b>	<b>17.26</b>

See accompanying notes forming part of the financial statements | to 4.46

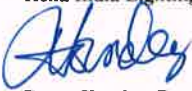
In terms of our report attached


For Deloitte Haskins & Sells LLP  
Chartered Accountants

  
Rajesh Kumar Agarwal  
Partner

Place: Gurugram  
Date: July 21, 2020

For and on behalf of the Board of Directors  
Hella India Lighting Limited

  
Rama Shankar Pandey  
Managing Director  
DIN : 02848326

  
Anil Sultan  
Director  
DIN : 00467681

  
Aakritee Khanna  
Company Secretary  
ACS : 48297

  
Narender Jain  
Chief Financial Officer  
FCA : 511778

Place: Gurugram  
Date: July 21, 2020





**HELLA INDIA LIGHTING LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2020**  
*(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	Note No.	Year ended 31 March 2020	Year ended 31 March 2019
<b>A. CASH FROM OPERATING ACTIVITIES :</b>			
Profit before tax		26,229	74,402
<b>Adjustments for:</b>			
Depreciation and amortisation expenses		90,517	73,792
Impairment loss		17,784	-
Liabilities and provisions no longer required written back		(625)	(1,762)
Interest expense		24,346	21,106
Interest income (on fixed deposits, loans and investments)		(349)	(254)
Net unrealised foreign exchange gain		252	(5,396)
Profit on sale of fixed assets		(316)	(26)
Provision for doubtful debts		1,295	-
Provision for doubtful advances		21	126
Reversal of expense due to Ind AS 116 implementation (actual payment of leases)		(10,439)	-
Fixed assets written-off		1,863	3,214
Advances written-off		566	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>1,51,144</b>	<b>1,65,202</b>
<b>Changes in Working Capital :</b>			
<b>Adjustments for (increase) / decrease in operating assets:</b>			
Decrease/(Increase) in inventories		(21,981)	6,819
Decrease/(Increase) in trade receivables		51,209	(29,982)
Decrease/(Increase) in other current assets		(31,090)	(37,252)
Decrease/(Increase) in other non-current assets		(724)	(4,786)
Decrease/(Increase) in Other non-current assets		912	5,880
Decrease/(Increase) in Other current assets		(219)	2,928
<b>Adjustments for increase / (decrease) in operating liabilities:</b>			
Increase/(decrease) in non-current provisions		5,088	4,892
Increase in trade payables		(14,331)	30,125
Increase/(decrease) in current provisions		(1,173)	2,253
Increase/(decrease) in other current liabilities		(12,353)	(11,946)
<b>CASH GENERATED IN OPERATIONS</b>		<b>1,26,482</b>	<b>1,34,133</b>
Net income tax paid		(43,085)	(13,665)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>83,397</b>	<b>1,20,468</b>
<b>B. CASH FROM INVESTING ACTIVITIES</b>			
Capital expenditure on fixed assets, including capital advances		(1,90,606)	(2,04,051)
Proceeds from sale of fixed assets		316	337
Interest received (on fixed deposits, loans and investments)		129	254
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(1,90,161)</b>	<b>(2,03,460)</b>
<b>C. CASH FROM FINANCING ACTIVITIES</b>			
Repayment of long term borrowings		(20,856)	(42,689)
Proceeds from long term borrowings		-	2,50,000
Proceeds from short term borrowings		(31,975)	97,411
Interest paid		(11,162)	(12,929)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>		<b>(63,993)</b>	<b>2,91,793</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>		<b>(1,70,757)</b>	<b>2,08,801</b>
Cash and cash equivalents at the beginning of the year		2,46,798	37,997
Cash and cash equivalents at the end of the year (Refer note 4.10)		76,041	2,46,798
<b>Cash and cash equivalents comprises :</b>			
(a) Cash in hand		14	-
(b) Balances with banks			
(i) In current accounts		28,965	2,46,798
(ii) In EEFC accounts		17,062	-
(iii) In short term fixed deposits		30,000	-
		76,041	2,46,798

**Note :**

The Cash Flow Statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind AS)-7

I to 4.46

In terms of our report attached

For Deloitte Haskins & Sells LLP  
 Chartered Accountants  
 Firm Registration No. 117366W/W-10018

Rajesh Kumar Agarwal  
 Partner

Place: Gurugram  
 Date: July 21, 2020

For and on behalf of the Board of Directors  
 Hella India Lighting Limited

Rama Shankar Pandey  
 Managing Director  
 DIN : 02848336

Aakriti Khanna  
 Company Secretary  
 ACS : 48297

Place: Gurugram  
 Date: July 21, 2020

Anil Sultan  
 Director  
 DIN : 00467681

Narender Jain  
 Chief Financial Officer  
 FCA : 511778



**HELLA INDIA LIGHTING LIMITED**  
**STATEMENT OF CHANGE IN EQUITY AS AT 31 March 2020**  
*(All amounts are in Thousand Indian Rupees except number of shares)*

a. Fully paid up equity shares (face value of Rs. 10 each)

Balance at 1 April 2019  
 Changes in equity share capital during the year  
 Balance at 31 March 2020

No. of shares	Amount
31,71,400	31714
31,71,400	31714

b. Other equity

Particulars	Reserves and Surplus							Total
	General reserve	Securities premium account	Revaluation reserve	Other comprehensive income	Capital redemption reserve	Retained earnings	Equity component of non-cumulative, non-convertible redeemable preference shares (Refer note 4.14)	
Balance at 01 April 2018	1,756	2,95,249	2,495	(428)	100	(30,578)	1,01,780	3,70,374
Profit for the year	-	-	-	-	-	54,727	-	54,727
Other comprehensive income for the year, net of income tax	-	-	-	(474)	-	-	-	(474)
Balance at 01 April, 2019	1,756	2,95,249	2,495	(902)	100	24,149	1,01,780	4,24,627
Profit for the year	-	-	-	-	-	19,088	-	19,088
Other comprehensive income for the year, net of income tax	-	-	-	(1,159)	-	-	-	(1,159)
Balance at 31 March 2020	1,756	2,95,249	2,495	(2,061)	100	43,237	1,01,780	4,42,556

In terms of our report attached

For Deloitte Haskins & Sells LLP  
 Chartered Accountants

Rajesh Kumar Agarwal  
 Partner

For and on behalf of the Board of Directors  
 Hella India Lighting Limited

Managing Director  
 Ranna Shankar Pandey  
 DIN : 02848326

Company Secretary  
 Aakriti Khanna  
 ACS : 48297



Director  
 Anil Sultan  
 DIN : 00467681

Chief Financial Officer  
 Narender Jain  
 FCA : 511778

Place: Gurugram  
 Date: July 21, 2020

Place: Gurugram  
 Date: July 21, 2020

## Hella India Lighting Limited

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

### Notes to the financial statements for the year ended 31 March 2020

#### 1. Corporate Information

Hella India Lighting Limited, ('the Company') was incorporated on 4 September 1959. Its ultimate parent company is Hella GmbH & Co. KGaA in Germany. The registered office of the Company is located at K-61 B, LGF, Kalkaji, New Delhi – 110019. Its shares were listed on Bombay Stock Exchange and Delhi Stock Exchange. Delhi Stock Exchange allowed delisting of shares in previous years. On 30 April 2015, the Company got delisted from Bombay Stock Exchange. The Company is primarily engaged in manufacturing of automotive lights, switches, blinkers etc.

#### 2 Significant accounting policies

##### (i) Statement of compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements for the year ended 31 March 2020 were authorized and approved by the audit committee on 21 July 2020.

##### (ii) Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurement are categorised into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in the entirety, which are described as follows:

- Level 1 inputs are quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Considering the size of the Company, the financial statements have been prepared in Thousand Indian rupees.

All assets and liabilities have been classified as current or noncurrent according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

The principal accounting policies are set out below.



## Hella India Lighting Limited

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

### Notes to the financial statements for the year ended 31 March 2020

#### (iii) Use of estimates

The preparation of financial statements are in conformity with Indian Accounting Standards (Ind AS), requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialise.

#### (iv) Revenue recognition

Revenue from the sale of products or services is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts.

Designing and service income is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

Interest income is recognised using the time proportion method, based on underlying interest rates.

Other revenues are recognised on accrual basis.

#### (v) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

#### (vi) Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services or for administration purpose are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost is inclusive of freight, duties, taxes and any other directly attributable costs to bring the assets to their working condition for intended use. Freehold land is measured at cost and is not depreciated.

##### *Depreciation methods: estimated useful lives and residual value*

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Schedule II to the Companies Act 2013, prescribes useful lives for fixed assets. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported.

The rates are based on an internal technical evaluation report as issued by management and are determined after considering following factors:

- Expected usage of the asset.
- Expected physical wear and tear
- Technical and commercial obsolescence
- Understand past practices and general industry experience



## Hella India Lighting Limited

(All amounts are in Thousand Indian Rupces, unless otherwise stated)

### Notes to the financial statements for the year ended 31 March 2020

The rates as mentioned below were discussed with the holding company and were approved by Board of Directors in their meeting held on 13 November 2014.

Considering the applicability of Schedule II, management has re-estimated useful lives and residual values of all its fixed assets. Accordingly, the depreciation has been provided on the following rates:

Assets	Useful lives
Building	30 Years
Plant and machinery (Injection moulding machine, Metallizer, Drying and Conveying system and other peripheral machines)	12 Years
Plant and equipment (other than above)	8 Years
Plant and equipment (Tools)	5 Years
Plant and equipment (Electric installation)	8 Years
Computers	3 Years
Furniture and fixtures	10 Years
Office equipment	5 Years
Vehicles (Commercial)	6 Years
Vehicles (other than commercial)	5 Years

Any gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to the statement of profit and loss.

The estimated useful life, residual value and depreciation methods are reviewed by the management at the end of each reporting period, with the effect of change in estimate accounted for an prospective basis year.

Management believes that depreciation rates mentioned above fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under schedule II.

Leasehold improvements are amortised over the estimated useful life of the asset as estimated by management of the remaining period of the lease, whichever is shorter.

Assets costing up to Rs. 5,000 are fully depreciated in the year of purchase.

#### *Transition to Ind AS*

For transition to Ind AS, in previous year, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### (vii) Intangible assets

Intangible assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortization and impairment losses, if any.

#### Amortization methods and useful lives

Intangible assets comprise software. Intangible assets are amortized in the Statement of Profit and Loss over their estimated useful lives, from the date they are available for use based on the expected pattern of consumption of economic benefits of assets. Accordingly, at present software's is being amortized on straight line basis over the useful life of 3 years.



**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

*Transition to Ind AS*

On transition to Ind AS, in previous year, the Company has elected to continue with the carrying value of its intangible assets recognised as at 1 April 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

**(viii) Capital work-in-progress**

Cost of assets not ready for use as at the balance sheet date and fixed assets under construction are disclosed as capital work-in-progress. Capital work-in-progress is disclosed at cost less impairment reserve (if any).

**(ix) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on initial recognition.

**Financial assets**

All regular way purchase or sale of financial assets are accounted for at trade date basis. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of financial assets.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle liabilities simultaneously.

**Classification of financial assets:**

**Financial assets that meet the following conditions are subsequently measured at amortised cost:**

- i) Asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Effective interest method:** The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial instruments other than those financial assets classified as FVTPL. Interest income is recognized in profit and loss and is included in the "Other Income" line item.



**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

**Financial assets at fair value through profit and loss**

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit and loss (FVTPL).

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

**Financial liabilities and equity instruments**

**Classification as debt or equity:** Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and an equity instrument.

**Equity instruments:** An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

**Compound Financial Instruments:**

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(x) Inventories**

Inventories are valued at cost or net realizable value, whichever is lower. The cost formula applied for inventories is moving weighted average.

In determining cost of work in progress and finished goods, fixed production overheads are allocated on the basis of normal capacity of production facilities and variable production overheads are assigned to each unit of production on the basis of actual use of the production facilities.

Stores and spares and raw materials held for use in production of finished goods are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed their net realizable value.

Obsolete, defective and unserviceable stocks are duly provided for, wherever required.

**(xi) Preference shares**

The Company had issued Non-Cumulative Non-Convertible Redeemable Preference Shares (RPS) in multiple tranches. Each Non-Cumulative Non-Convertible Redeemable Preference Share carry non-cumulative preferential dividend @ 0.0000001% p.a. RPS are redeemable at par at any time after five years but prior to the expiry of twenty years from the date of allotment.

RPS that are treated as financial liability in accordance with the requirements of Ind AS 32, are initially recognised at fair value and subsequently measured at amortised cost using effective interest rate method (EIR).

**(xii) Borrowing Cost**

Borrowing costs attributable to the acquisition or construction of a qualifying assets are capitalized as a part of the cost the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.



**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

**(xiii) Foreign currency transactions and translations**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/ (losses) arising on account of realization/ settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**(xiv) Employee benefits**

*Short-term employee benefits*

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

*Post-employment benefits*

**Defined benefit plans:** The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit are recognised in profit and loss.

**Defined contribution plans:** The provident fund is a defined contribution plan; the Company pays fixed contributions to the appropriate government authorities and has no obligation to pay further amounts. Such fixed contributions are recognised in the Statement of Profit and Loss on accrual basis in the financial year to which they relate.

**Other long-term employee benefits:** Benefits under the Company's leave encashment policy constitutes other long-term employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

**(xv) Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilizing the credits.





**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

**Goods and Service tax input credit:**

Goods and Service tax input credit is accounted for in the books in the period in which the underlying goods/service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

**(xvi) Impairment**

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

**(xvii) Leases**

The Company's lease asset classes primarily consist of leases for building and vehicles. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered on or after April 1, 2019.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than Rs. 350 in value). The Company recognizes the lease payments associated with these leases as an expense over the lease term.

In the comparative period, lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

**(xviii) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

**(xix) Earnings per share**

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity shares to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by aggregate of weighted average number of equity shares and weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares outstanding during the year adjusted for all effects of dilutive potential equity shares. Potential equity shares are treated as dilutive when their conversion to equity shares would decrease net profit per share of the Company.

**(xx) Provisions, contingent liability and contingent assets**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

**Warranty:** The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise – being typically up one year. As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support/provision for warranty based on the information available with the Management duly taking into account the current and past technical estimates.

**Contingent liability:** A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

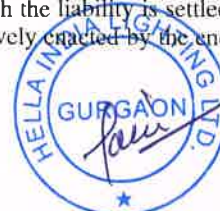
Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent asset are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**(xxi) Taxes on income**

**Current tax:** The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

**Deferred tax:** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the



**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

reporting period. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum alternate tax: Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is considered as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

**(xxii) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole (refer note no. 4.34).

**(xxiii) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

**Significant management judgements and estimates**

The following are significant management judgements and estimates in applying the accounting policies of the Company that have the most significant effect on the financial statements.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation ("DBO")** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Useful lives of depreciable/amortizable assets** – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence.

**Evaluation of Revenue recognition under Ind AS 115** - Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The management is of the view that its revenue arrangements are in line with the standard requirements.



**Hella India Lighting Limited**

(All amounts are in Thousand Indian Rupees, unless otherwise stated)

**Notes to the financial statements for the year ended 31 March 2020**

**3 COVID Impact on financial statements**

In December 2019, an outbreak of a new strain of coronavirus ("COVID-19") began in Wuhan, Hubei Province, China. In March 2020, the World Health Organization declared COVID-19 a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets, it has impacted the operations of the Company as well. The Company has made detailed assessment of its liquidity positions for next one year and of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of valuation based on current estimates has concluded that no material adjustments is required except impairment of assets as disclosed in note 4.01 to the financial statements and subsequent liquidity is available to fund the business operation for at least another 12 months. The management has carried out physical verification of inventory subsequent to the year end and confirm that the inventory is consumable as per plan and no value in diminution is required. The impact of COVID 19 on the Company's Financial Statements may differ from that estimated at the date of approval of these Financial Statements and would be recognized prospectively.



**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2020  
(All amounts are in Thousand Indian Rupees except number of shares)

**4.01 (a) Property, plant and equipment**

Particulars	Freehold land*	Factory building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>Year ended 31 March 2019</b>								
<b>Gross carrying amount</b>								
Balance as at 1 April 2018	118	81,658	2,84,797	7,617	5,969	10,366	6,235	3,96,760
Additions	-	52,694	82,414	757	1,548	4,189	3,546	1,45,148
Disposals	-	8,664	1,497	-	1,106	-	-	11,267
<b>Closing gross carrying amount as at 31 March 2019</b>	<b>118</b>	<b>1,25,688</b>	<b>3,65,714</b>	<b>8,374</b>	<b>6,411</b>	<b>14,555</b>	<b>9,781</b>	<b>5,30,641</b>
<b>Accumulated depreciation</b>								
Balance as at 1 April 2018	-	2,343	48,422	586	1,222	3,117	1,975	57,665
Depreciation charged during the year	-	3,688	60,928	1,085	1,521	3,867	2,637	73,726
Disposals	-	5,470	1,210	-	1,063	-	-	7,743
<b>Closing accumulated depreciation as at 31 March 2019</b>	<b>-</b>	<b>561</b>	<b>1,08,140</b>	<b>1,671</b>	<b>1,680</b>	<b>6,984</b>	<b>4,612</b>	<b>1,23,648</b>
<b>Net carrying amount as at 31 March 2019</b>	<b>118</b>	<b>1,25,127</b>	<b>2,57,574</b>	<b>6,703</b>	<b>4,731</b>	<b>7,571</b>	<b>5,169</b>	<b>4,06,993</b>
<b>Year ended 31 March 2020</b>								
<b>Gross carrying amount</b>								
Balance as at 1 April 2019	118	1,25,688	3,65,714	8,374	6,411	14,555	9,781	5,30,641
Additions	-	51,551	56,603	5,379	-	1,381	485	1,15,399
Disposals	-	-	2,268	-	934	-	-	3,202
<b>Closing gross carrying amount as at 31 March 2020</b>	<b>118</b>	<b>1,77,239</b>	<b>4,20,049</b>	<b>13,753</b>	<b>5,477</b>	<b>15,936</b>	<b>10,266</b>	<b>6,42,838</b>
<b>Accumulated depreciation</b>								
Balance as at 1 April 2019	-	561	1,08,140	1,671	1,680	6,984	4,612	1,23,648
Depreciation charged during the year	-	5,039	66,694	1,263	1,371	2,421	2,738	79,526
Impairment Loss	-	-	17,784	-	-	-	-	17,784
Disposals	-	-	2,268	-	934	-	-	3,202
<b>Closing accumulated depreciation as at 31 March 2020</b>	<b>-</b>	<b>5,600</b>	<b>1,90,350</b>	<b>2,934</b>	<b>2,117</b>	<b>9,405</b>	<b>7,350</b>	<b>2,17,756</b>
<b>Net carrying amount as at 31 March 2020</b>	<b>118</b>	<b>1,71,639</b>	<b>2,29,699</b>	<b>10,819</b>	<b>3,360</b>	<b>6,531</b>	<b>2,916</b>	<b>4,25,082</b>

\* The freehold land of Derabassi is registered in the erstwhile name of the Company "Hella India Lighting Limited".

Leasehold improvement is nil after adjusting accumulated depreciation of Rs. 13,622, the property is under the possession of the company.

**4.01 (b) Capital work-in-progress**

Opening balance	59,051
Add : Additions during the year	2,67,934
Add : Borrowing cost capitalised during the year	1,215
Less: Assets capitalised during the year	1,11,559
<b>Closing balance</b>	<b>1,88,691</b>

**31 March 2020**

**31 March 2019**

1,94,346	59,051
88,861	2,67,934
17,043	1,215
1,11,559	1,33,854
<b>1,88,691</b>	<b>1,94,346</b>



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**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2020  
(All amounts are in Thousand Indian Rupees except number of shares)

**4.02 (a) Intangible assets**

Particulars	Computer software	Total
<b>Year ended 31 March 2019</b>		
<b>Gross carrying amount</b>		
Balance as at 1 April 2018	1,636	1,636
Additions	1,369	1,369
Disposals	-	-
<b>Closing gross carrying amount as at 31 March 2019</b>	<b>3,005</b>	<b>3,005</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2018	1,636	1,636
Depreciation expense charged during the year	66	66
Disposals	-	-
<b>Closing accumulated depreciation as at 31 March 2019</b>	<b>1,702</b>	<b>1,702</b>
<b>Net carrying amount as at 31 March 2019</b>	<b>1,303</b>	<b>1,303</b>
<b>Year ended 31 March 2020</b>		
<b>Gross carrying amount</b>		
Balance as at 1 April 2019	3,005	3,005
Additions	76	76
Disposals	-	-
<b>Closing gross carrying amount as at 31 March 2020</b>	<b>3,081</b>	<b>3,081</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2019	1,702	1,702
Depreciation expense charged during the year	464	464
Disposals	-	-
<b>Closing accumulated depreciation as at 31 March 2020</b>	<b>2,166</b>	<b>2,166</b>
<b>Net carrying amount as at 31 March 2020</b>	<b>915</b>	<b>915</b>

**4.02 (b) Right of use asset**

Particulars	Right of use	Total
<b>Gross carrying amount</b>		
Balance as at 1 April 2019	-	-
Additions	30,144	30,144
Disposals	-	-
<b>Closing gross carrying amount as at 31 March 2020</b>	<b>30,144</b>	<b>30,144</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2019	-	-
Depreciation expense charged during the year	10,527	10,527
Disposals	-	-
<b>Closing accumulated depreciation as at 31 March 2020</b>	<b>10,527</b>	<b>10,527</b>
<b>Net carrying amount as at 31 March 2020</b>	<b>19,617</b>	<b>19,617</b>

*[Handwritten signature]*



**HELLA INDIA LIGHTING LIMITED**  
**Notes to financial statements for the year ended 31 March 2020**  
*(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	As at 31 March 2020	As at 31 March 2019
<b>4.03 Investments</b>		
(Valued at cost unless stated otherwise)		
<b>Trade - unquoted</b>		
<b>Investment in equity instrument of other entities</b>		
Wegu Sondhi Private Limited	110	110
11,000 (previous year 11,000) equity shares of face value Rs. 10 each, fully paid up		
Less: Provision for other than temporary diminution in value of investment #	<u>110</u>	<u>110</u>
	-	-
Drive Smart Drive Safe	20	20
2,000 (previous year 2,000) equity shares of face value Rs. 10 each, fully paid up		
	<u>20</u>	<u>20</u>
Aggregate amount of unquoted investments	130	130
Less: Aggregate amount of provision for other than temporary diminution in value of investment	<u>110</u>	<u>110</u>
	<u>20</u>	<u>20</u>

For valuation basis, refer note no. 4.45

# Wegu Sondhi Private Limited is a dormant company.



**HELLA INDIA LIGHTING LIMITED**
**Notes to financial statements for the year ended 31 March 2020**
*(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	As at 31 March 2020	As at 31 March 2019
<b>4.04 Other financial assets</b>		
(Unsecured, considered good unless stated otherwise)		
Security deposits	7,493	6,769
	<u>7,493</u>	<u>6,769</u>
For valuation basis, refer note no. 4.46		
<b>4.05 (a) Deferred tax liability arising on account of:</b>		
Difference between written down value of fixed assets as per Income tax Act, 1961 and as per the Companies Act, 2013	6,912	13,598
Provision for interest on preference shares	18,979	20,308
	<u>25,891</u>	<u>33,906</u>
<b>Deferred tax assets arising on account of:</b>		
Provision for gratuity	7,093	5,949
Provision for leave encashment	4,919	4,186
Impact of leasing (Ind AS 116)	573	-
Provision for doubtful receivables	915	554
Provision for doubtful advances	41	35
Provision for bonus	4,116	4,043
Provision for slow moving inventory	9,345	7,968
Provision for price reduction	1,728	1,728
Provision for warranty	9,588	9,928
Provision for export obligation – EPCG License	304	304
Disallowance U/s 40 a(i)	-	83
	<u>38,622</u>	<u>34,778</u>
<b>Deferred tax asset/(liability) (net)</b>	<u>12,731</u>	<u>872</u>
	<b>Year ended 31 March 2020</b>	<b>Year ended 31 March 2019</b>
<b>(b) Reconciliation of tax expenses and accounting profit</b>		
Profit before tax from continuing operation	26,229	74,402
Income tax expenses calculated at current tax rate	7,297	20,701
Less : Effect of Concession		
(i) Adjustment of brought forward of business loss	(1,508)	-
(ii) Tax for earlier years recognised in statement of profit and loss	73	(2,179)
(iii) Others	(540)	(497)
Add : Effect of expenses/income that are not deductible/includible in determining taxable profit.		
(i) Corporate Social Responsibility Expenditure	218	203
(ii) Assets written off	518	-
(iii) Interest on Income Tax	-	292
(iv) Interest on delay in MSMED vendors payment	999	1,155
(v) Others	84	-
<b>Income tax expenses recognised in statement of profit &amp; loss (relating to continuing operation)</b>	<u>7,141</u>	<u>19,675</u>





**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2020***(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	As at 31 March 2020	As at 31 March 2019
<b>4.06 Other tax assets</b>		
Income taxes (net of provision for tax Rs. 18,553 (previous year Rs. Nil))	10,532	-
Income-tax (paid under protest)	12,500	
	<u>23,032</u>	<u>-</u>
<b>4.07 Other non-current assets</b> (Unsecured, considered good unless stated otherwise)		
Balance with banks - held as security against margin money given to Government authorities	1,203	1,308
Capital advances	11,773	11,805
Balance with Government authorities (paid under protest)		
- Service Tax	-	727
- VAT credit receivable	<u>241</u>	<u>241</u>
Prepaid expenses	10	90
	<u>13,227</u>	<u>14,171</u>
For valuation basis, refer note no. 4.46		
<b>4.08 Inventories</b> (Valued at the lower of cost and net realisable value)		
Raw materials and components [includes goods in transit Rs. 9,846 (previous year Rs. 4,899)]	1,43,056	1,16,839
Work in progress	6,419	6,610
Finished goods (other than those acquired for trading) [includes goods in transit Rs. 7,052 (previous year Rs. 17,825)]	56,960	50,936
Traded goods (acquired for trading)	14,191	14,840
Tools and dies	981	9,109
Stores and spares	<u>4,011</u>	<u>5,303</u>
	<u>2,25,618</u>	<u>2,03,637</u>
For valuation basis, refer note no. 4.46		
<b>4.09 Trade receivables</b> (unsecured, considered good unless otherwise stated)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered good	-	-
Doubtful	3,288	1,993
Less: Provision for doubtful trade receivables	<u>3,288</u>	<u>1,993</u>
Other trade receivables		
Considered good	<u>2,96,080</u>	<u>3,43,576</u>
	<u>2,96,080</u>	<u>3,43,576</u>

Trade receivables includes Rs. 100,537 (previous year Rs. 91,605) due from related parties (refer note 4.35).

For valuation basis, refer note no. 4.46



**HELLA INDIA LIGHTING LIMITED**
**Notes to financial statements for the year ended 31 March 2020**
*(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	As at 31 March 2020		As at 31 March 2019	
<b>4.10 Cash and cash equivalents</b>				
Cash and cash equivalents				
Cheques on hand		14		-
Balances with banks				
In current accounts		28,965		2,46,798
In EEFC accounts		17,062		-
In short term fixed deposits		30,000		-
		76,041		2,46,798
For valuation basis, refer note no. 4.46				
<b>4.11 Other financial assets- current (unsecured and considered good unless otherwise stated)</b>				
Security deposits		336		117
		336		117
For valuation basis, refer note no. 4.46				
<b>4.12 Other current assets (unsecured, considered good unless otherwise stated)</b>				
Advance to suppliers				
Considered good	10,543	10,543	10,035	10,035
Doubtful	147		126	
Less: Provision for doubtful advances	147		126	
Balances with Government authorities				
Considered good				
- Cenvat credit receivable	-		130	
- Goods and service tax receivable	73,557		66,342	
- VAT credit receivable	223		223	
- VAT credit receivable (paid under protest)	-		232	
- Export incentives receivables	4,552		6,537	
- Goods and service tax receivable on export sales	21,305		2,452	
- Advance custom duty	5,543	1,05,180	208	76,124
Prepaid expenses		2,417		1,860
Loans and advances to employees		2,874		2,491
Other advances		220		-
		1,21,234		90,510
For valuation basis, refer note no. 4.46				



**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>4.13 Share capital</b>		
<b>Authorized</b>		
<b>Equity shares, Rs. 10 each</b>		
3,500,000 (previous year 3,500,000) equity shares	35,000	35,000
<b>Preference shares, Rs. 100 each</b>		
2,150,000 (previous year 2,150,000) non-convertible, non-cumulative, redeemable preference shares	2,15,000	2,15,000
	<b>2,50,000</b>	<b>2,50,000</b>
<b>Issued, subscribed and paid-up</b>		
<b>Equity shares</b>		
3,171,400 (previous year 3,171,400) equity shares of Rs. 10 each fully paid up	31,714	31,714
	<b>31,714</b>	<b>31,714</b>

(Refer note (i) to (iv) below)

**i) Rights, preferences and restrictions**

**Equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The paid-up equity shares of the Company rank *pari-passu* in all respects including dividend.

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

**ii) The reconciliation of the shares outstanding at the beginning and end of the year**

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Balance at the beginning and end of the year	31,71,400	31,714	31,71,400	31,714

**iii) Shares held by the holding company and fellow subsidiary company :**

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares</b>				
Hella Holding International GmbH, Germany, the holding company	16,17,400	16,174	16,17,400	16,174
Hella India Automotive Private Limited, a fellow subsidiary	10,01,490	10,015	10,00,990	10,010
<b>Total</b>	<b>26,18,890</b>	<b>26,189</b>	<b>26,18,390</b>	<b>26,184</b>

The ultimate holding company of the Company is Hella GMBH & Co. KgaA, Germany.

**iv) The details of shareholders holding more than 5% shares :**

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
<b>Equity shares</b>				
Hella Holding International GmbH, Germany, the holding company	16,17,400	51.00	16,17,400	51.00
Hella India Automotive Private Limited	10,01,490	31.58	10,00,990	31.56

Also, refer to note 4.40 relating to delisting of shares of the Company.



**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2020***(All amounts are in Thousand Indian Rupees except number of shares)*

Particulars	As at 31 March 2020	As at 31 March 2019
<b>4.14 Borrowings</b>		
Unsecured - at amortized cost		
Other loans		
1,143,630 (previous year 1,143,630) 0.0000001% non-convertible, non-cumulative, redeemable preference shares of Rs. 100 each fully paid up from related party (Ultimate holding company) #	46,144	41,365
Term loan from related party (unsecured) ##	2,50,000	2,71,667
Less : Current maturities of term loan from related party (refer to note number 4.19 )	-	(21,667)
	<u>2,96,144</u>	<u>2,91,365</u>

# Preference shares issued by the Company are non-convertible, non-cumulative, redeemable and non participating and are not entitled to vote. Preference shareholders have preference over equity shareholders for the payment of dividend and repayment of capital, in the event of liquidation of the Company. The preference shares are redeemable at par at any time after five years but prior to the expiry of twenty years from the date of allotment. Out of these, 500,000 preference shares have been allotted on 31 August 2006, 40,000 preference shares have been allotted on 18 March 2009 and 603,630 (by conversion of loan from the holding company) preference shares have been allotted on 16 March 2010.

## Term loan from related party is an Indian currency loan taken from Hella GMBH & Co. KgaA, Germany (ultimate holding company). It carries interest at 8.75% per annum. The repayment schedule is as follows :

Installment repaid	Repayment date	Amount to be
1	15 March 2022	62,500
2	15 September 2022	62,500
3	15 March 2023	62,500
4	15 September 2023	62,500

### Preference share capital is recognised at amortized cost as on the date of transition i.e. 1 April 2017. Company has considered the impact of transition as equity component of preference share capital of Rs.1,01,780 under other equity (Refer Statement of Changes in Equity). Further Company charges the interest on liability component on preference share capital on yearly basis.



**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2020***(All amounts are in Thousand Indian Rupees except number of shares)*

<b>Particulars</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>4.15 Provisions</b>		
Provisions for employee benefits		
- Gratuity (refer to note 4.32)	22,881	18,769
- Compensated absences	16,535	13,954
	<u>39,416</u>	<u>32,723</u>
<b>4.16 Other non-current liabilities</b>		
Others		
Security deposit received	4,644	3,833
	<u>4,644</u>	<u>3,833</u>
For valuation basis, refer note no. 4.46		
<b>4.17 Borrowings</b>		
Loans repayable on demand		
- Cash credit facility from bank (Unsecured) #	1,05,457	1,37,432
	<u>1,05,457</u>	<u>1,37,432</u>

For valuation basis, refer note no. 4.46

# Cash credit facilities from bank carries an interest of 8.45% (previous year 9.55%), computed on monthly basis on the actual amount utilized. Hella GMBH &amp; Co. KgaA, Germany, the ultimate holding company, has given the guarantee for the cash credit facility availed by



**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2020***(All amounts are in Thousand Indian Rupees except number of shares)*

<b>Particulars</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>4.18 Trade payables</b>		
Trade payables for goods and services		
- total outstanding dues of micro and small enterprises (refer to note 4.33)	76,526	51,978
- total outstanding dues of other than micro and small enterprises	3,19,032	3,53,841
	<u>3,95,558</u>	<u>4,05,819</u>
Trade payable includes Rs. 79,738 (previous year Rs. 1,43,671) due to related parties (refer note 4.35). For valuation basis, refer note no. 4.46		
<b>4.19 Other financial liabilities</b>		
Current maturities of long term loan from related party	-	21,667
Interest accrued on borrowings	11,264	3,216
Payable for purchase of fixed assets	9,186	88,140
	<u>20,450</u>	<u>1,13,023</u>
For valuation basis, refer note no. 4.46		
<b>4.20 Provisions</b>		
Provision for employee benefits		
- Gratuity (refer to note 4.32)	2,614	2,616
- Compensated absences	1,145	1,094
Other provisions		
- Provision for export obligations under EPCG License (refer note 4.41)	1,094	1,094
- Provision for warranty (refer note 4.41)	34,465	35,687
	<u>39,318</u>	<u>40,491</u>
For valuation basis, refer note no. 4.46		
<b>4.21 Other current liabilities</b>		
Interest accrued on delayed payment of tax	-	1,050
Statutory remittances	6,838	6,657
Goods and service tax payables	1,579	4,250
VAT payables	571	-
Advance from customers	4,196	14,630
	<u>13,184</u>	<u>26,587</u>
For valuation basis, refer note no. 4.46		
<b>4.22 Other current tax liabilities (net)</b>		
Income tax payables	-	1,498
[net of advance tax of Rs. Nil (Previous year Rs. 13,500)]		
	<u>-</u>	<u>1,498</u>



**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>4.23 Revenue from operations</b>		
(a) Sale of products (refer note (i) below)	16,55,820	18,93,835
(b) Other operating revenues (refer note (ii) below)	70,462	84,341
	<b>17,26,282</b>	<b>19,78,176</b>
<b>(i) Sale of products comprises:</b>		
Manufactured finished goods	15,60,690	18,03,245
Traded goods	95,130	90,590
	<b>16,55,820</b>	<b>18,93,835</b>
<b>(ii) Other operating revenues comprises:</b>		
Scrap sales	4,571	3,262
Development income	52,164	56,833
Export benefits*	13,727	11,141
Tooling income	-	13,105
	<b>70,462</b>	<b>84,341</b>
 *Export benefits are in the nature of government grants covering following :		
Merchandise Exports from India Scheme (MEIS & SEIS)	9,220	6,776
Duty draw backs	4,507	4,365
	<b>13,727</b>	<b>11,141</b>
 <b>4.24 Other income</b>		
Interest income		
- on fixed deposits with banks	260	254
- other interest	89	-
	<b>349</b>	<b>254</b>
Net gain on foreign currency transactions	11,023	17,044
Profit on sale of fixed assets	316	26
Liabilities and provisions no longer required written back	625	1,762
Miscellaneous income	4,755	1,741
	<b>17,068</b>	<b>20,827</b>
 <b>4.25 Cost of material consumed</b>		
Raw material and components		
Opening stock	1,16,839	1,11,369
Add: Purchases	9,82,822	11,39,470
Less: Closing stock	1,43,056	1,16,839
	<b>9,56,605</b>	<b>11,34,000</b>
 <b>4.26 Changes in inventories of finished goods, work-in-progress and traded goods</b>		
Inventories at the beginning of the year		
Traded goods	14,840	19,672
Finished goods	50,936	53,312
Work in progress	6,610	4,599
	<b>72,386</b>	<b>77,583</b>
Less: Inventories at the end of the year		
Traded goods	14,191	14,840
Finished goods	56,960	50,936
Work in progress	6,419	6,610
	<b>77,570</b>	<b>72,386</b>
	<b>(5,184)</b>	<b>5,197</b>
	<b>(5,184)</b>	<b>5,197</b>



*[Handwritten signature]*

**HELLA INDIA LIGHTING LIMITED**

**Notes to financial statements for the year ended 31 March 2020**

(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>4.27 Employee benefits expenses</b>		
Salaries and wages	1,92,704	1,75,363
Contribution to provident funds (Refer to note 4.32)	11,456	10,326
Gratuity expense (Refer to note 4.32)	4,954	4,288
Staff welfare expenses	11,255	15,627
	<u>2,20,369</u>	<u>2,05,604</u>
<b>4.28 Finance cost</b>		
Interest on delayed payment of Income-tax	-	1,050
Interest on borrowings from related party (Refer to note 4.35)	2,022	3,224
Interest on cash credit limit	11,984	8,396
Interest on lease liability	1,971	-
Interest on amortized cost of preference shares	4,779	4,281
Others	3,590	4,155
	<u>24,346</u>	<u>21,106</u>
<b>4.29 Other expenses</b>		
Consumption of stores and spares	46,925	49,063
Power and fuel	17,965	23,048
Travelling and conveyance	19,230	31,631
Freight outward	45,964	63,858
Contractual manpower	53,097	58,204
Legal and professional	31,757	36,555
Payment to auditors		
- Statutory audit fees	1,400	1,400
- Tax audit fees	100	100
- Out of pocket expenses	-	25
Rent (Refer to note 4.36)	4,883	13,450
Rates and taxes	2,453	1,211
Insurance	8,468	4,921
Repairs and maintenance:		
- on buildings	27	-
- on plant and machinery	3,002	5,077
- on others (including IT expenses Rs. 43,438 Previous year Rs. 37,083)	48,634	46,056
Vehicle running and maintenance	3,753	4,775
Printing and stationery	781	1,181
Communication	2,676	3,789
Bank charges	867	911
Provision for doubtful receivables	1,295	-
Provision for doubtful advances	21	126
Advances written off	566	-
Expenditure on corporate social responsibility (Refer to note 4.42)	1,570	1,460
Loss of fixed assets written off	1,863	3,214
Royalty	22,480	25,763
Advertisement and sales promotion	14,863	33,507
Warranty	4,773	8,170
Miscellaneous	4,539	5,694
	<u>3,43,952</u>	<u>4,23,189</u>





**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

**4.30 Commitments**

a)	Particulars	As at 31 March 2020	As at 31 March 2019
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances Rs. 11,773 (previous year Rs. 7,378 )	23,215	54,378

b) The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foressable losses.

**4.31 Contingent liabilities**

Contingent liabilities with respect to disallowance of expenses under Income-tax of Rs. 9,242 (previous year Rs. 14,661) considered to the extent of adjustment of carry forward losses on which DTA has not been recognised.

**4.32 Employee benefits**

**a) Defined Contribution Plans**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 11,456 (previous year Rs. 10,326) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**b) Gratuity Plan (defined benefit plan)**

The Company operates a gratuity plan covering qualifying employees. The benefit payable is as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**Risk Exposure**

**Inherent risk:** The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience. This may result in an increase in cost of providing these benefits to employees in future.

**Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.

**Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The following table sets forth the status of the Gratuity plan of the Company, and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Particulars	As at 31 March 2020	As at 31 March 2019
<b><u>Changes in the present value of defined benefit obligation</u></b>		
Present value of obligation at the beginning of the year	21,385	16,894
Interest cost	1,497	1,309
Current service cost	3,457	2,978
Past service cost	-	-
Benefits paid	(2,449)	(453)
Actuarial loss	1,605	657
<b>Present value of defined benefit obligation at the end of the year</b>	<b>25,495</b>	<b>21,385</b>
<b><u>Changes in the fair value of the Plan assets</u></b> (The Company does not have any Plan assets)		
<b>Net liability recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	25,495	21,385
Fair value of the plan assets	-	-
Funded status (Deficit)	(25,495)	(21,385)
<b>Unrecognised past service cost</b>	<b>-</b>	<b>-</b>
<b>Net liability recognised in the Balance Sheet</b>	<b>(25,495)</b>	<b>(21,385)</b>
<b>Components of employer's expenses</b>		
Interest cost	1,497	1,309
Current service cost	3,457	2,978
Past service cost	-	-
<b>Actuarial assumptions</b>		
Discount rate	7.00%	7.75%
Salary escalation	6.50%	6.50%
Retirement age	58 years	58 years
Mortality table	IALM (2012-14)	IALM (2006-08)
Withdrawal rate (per annum)	5%	5%



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

**Experience Adjustment**

	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Present value of DBO at the end of the year	25,495	21,385	16,892	13,577	10,519
Experience adjustments on Plan assets/liabilities (gain) /loss	80	302	1,223	581	296

**Sensitivity Analysis for significant actuarial assumptions**

Particulars	Year ended 31 March 2020		Year ended 31 March 2019	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)				
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	27,955 10%	23,351 -8%	23,387 9%	19,660 -8%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	23,424 -8%	27,840 9%	19,721 -8%	23,293 9%
Attrition Rate (- / + 1%) (% change compared to base due to sensitivity)	25,483 0%	25,496 0%	21,259 -1%	21,487 0%

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

**c) Compensated absences**
**Actuarial assumptions for long terms compensated absences**

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	7.00%	7.75%
Salary escalation	6.50%	6.50%
Retirement age	58 years	58 years
Mortality table	IAM (2012-14) mortality tables	IAM (2006-08) mortality tables
Withdrawal rate (per annum)	5%	5%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors. Discount rate is based on market yields prevailing on government securities as at 31 March 2020 for the estimated term of the obligations.

4.33 The Company has obtained relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 ('the Act') which came into force from 2 October 2006. Based on the information presently available with the management, following are the disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 in respect of micro, small and medium suppliers as defined in the Act:

S. No.	Particulars	As at 31 March 2020	As at 31 March 2019
i)	the principal amount remaining unpaid to supplier as at the end of the year	59,849	38,890
ii)	the interest due on the principal remaining outstanding as at the end of the year	1,068	595
iii)	the amount of interest paid under the Act beyond the appointed day during the year	-	-
iv)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	2,522	3,559
v)	the amount of interest accrued and remaining unpaid at the end of the year	16,677	13,088
vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-



**HELLA INDIA LIGHTING LIMITED**

Significant accounting policies and notes to the financial statements  
(All amounts are in Thousand Indian Rupees except number of shares)

**4.34 Segment reporting:**

(i) Basis of preparation

**Primary segment:**

The primary segments have been identified in line with the IND AS 108 'Operating segments', taking into account the risks and return, organisation structure and internal reporting system.

The Company has identified the following business segments as reportable primary segment:

- 1) Manufacturing and sale of goods manufactured
- 2) Sales of aftermarket division

(ii) Segment accounting policies

The accounting principles consistently used in the preparation of the financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in Note 1 to this schedule on significant accounting policies. The description of segment assets and liabilities and the accounting policies in relation to segment accounting are as under:

(a) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of fixed assets, capital work in progress, current assets and loans and advances. Segment liabilities include all operating liabilities in respect of a segment and consist principally of creditors and accrued liabilities. Segment liabilities do not include share capital, reserves, provision for tax, deferred tax liability and other liabilities that cannot be reasonably allocated to segments. Segment assets do not include advance taxes, deferred tax, cash and bank balances and other assets that cannot be reasonably allocated to segments.

(b) Segment revenue and expenses

Segment revenue and expenses that are directly attributable to the segment have been allocated to various segments on the basis of specific identification. The remainder of the costs are categorised to the segment on a reasonable basis. Indirect expenses such as administrative expenses which form a significant component of total expenses are not specifically allocable to specific segments. Accordingly, these expenses are separately disclosed as "unallocated" and directly charged against total income.

As the Company exports its products, the secondary segment for the Company is based on the location of its customers. Information on the primary and secondary segments are as follows:

(i) Primary segment reporting

Particulars	Manufacturing and sales of goods manufactured		Sales of Aftermarket		Elimination		Total	
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue (including duty drawback and other export incentives)	8,87,637	11,18,388	8,38,645	8,59,788	-	-	17,26,282	19,78,176
Intersegment revenue	1,47,734	1,54,557	-	-	-1,47,734	-1,54,557	-	-
<b>Total Revenue</b>							<b>17,26,282</b>	<b>19,78,176</b>
<b>Segment results</b>	<b>10,804</b>	<b>81,399</b>	<b>39,422</b>	<b>13,856</b>			<b>50,226</b>	<b>95,255</b>
Add: Interest Income							349	254
Less: Interest Expenses							24,346	21,107
Net interest income/(expense)							23,997	20,853
							26,229	74,402
<b>Net Profit before tax</b>							<b>26,229</b>	<b>74,402</b>
Less: Tax (Current and deferred)							7,141	19,675
<b>Net Profit after tax</b>							<b>19,088</b>	<b>54,727</b>
Other comprehensive income/(expenses)							(1,159)	(474)
<b>Total Comprehensive income</b>							<b>17,929</b>	<b>54,253</b>
<b>Other information</b>								
<b>Segment Assets</b>	<b>10,60,864</b>	<b>10,78,680</b>	<b>2,28,443</b>	<b>1,96,071</b>			<b>12,89,307</b>	<b>12,74,751</b>
Add: Unallocable assets							1,20,810	2,34,361
Intersegment assets	1,69,259	29,083	-	-	-1,69,259	-29,083	-	-
<b>Total Assets</b>							<b>14,10,117</b>	<b>15,09,112</b>
<b>Capital expenditure</b>	<b>6,10,003</b>	<b>5,96,718</b>	<b>4,643</b>	<b>5,876</b>			<b>6,14,646</b>	<b>6,02,594</b>
Add: Unallocable Capital expenditure							19,659	47
<b>Total Capital expenditure</b>							<b>6,34,305</b>	<b>6,02,641</b>
<b>Segment Liabilities</b>	<b>2,44,867</b>	<b>3,42,865</b>	<b>2,16,029</b>	<b>2,12,094</b>			<b>4,60,896</b>	<b>5,54,959</b>
Add: Unallocable liabilities							2,27,955	3,22,287
Add: Capital employed	3,00,068	3,05,250	4,21,198	3,26,615			7,21,266	6,31,866
<b>Total Liabilities</b>							<b>14,10,117</b>	<b>15,09,112</b>
Depreciation and amortisation	83,565	71,921	6,952	1,871			90,517	73,792
Impairment loss	17,784	-	-	-			17,784	-
<b>Other non cash adjustments</b>								
Provision for Warranty							-1,222	293
Provision for slow moving stock							4,948	8,903
Provision for doubtful trade receivable/advances							1,295	126
Assets written off							1,863	3,214
Provisions no longer required written back							625	1,762
Unrealised foreign exchange loss/gain							-252	5,396

(ii) Secondary segment reporting by geographical segments.

Particulars	Domestic		Overseas		Total	
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Segment revenue	14,29,342	16,93,736	2,96,940	2,84,440	17,26,282	19,78,176
Non-current assets	6,90,808	6,24,474	-	-	6,90,808	6,24,474



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

*(All amounts are in Thousand Indian Rupees except number of shares)***4.35 Related party disclosures**

As per Indian Accounting Standard - 24 the Company's related parties and transactions with them are disclosed below:

The Company has entered into transactions with affiliated companies and its parent and key management personnel during the normal course of its business. The names of related parties of the Company and their relationship, are as follows:

**a) Related parties where control exists but with which no transactions have taken place during the year:-**

Nature of the relationship	Name of the company/ Body corporate
Holding company	Hella Holding International GMBH, Germany

**b) Related parties with whom transactions have taken place during the year:**

Nature of the relationship	Name of the Company/ Party
1 Ultimate Holding company	Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)
2 i) Fellow subsidiaries (in India)	Hella India Automotive Private Limited
ii) Fellow subsidiaries (outside India )	Hella Fahrzeugteile Austria, Austria
	Hella Phil Inc., Philippines
	Hella Australia Pty. Limited, Australia
	Hella Asia Singapore Pte. Limited, Singapore
	Beifang Hella Automotive Lighting Ltd, China
	Hella Innenleuchten-Systeme Bratislava, Solakia
	Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)
	Behr Hella Service GmbH, Germany
	Hella Romania S.R.L., Romania
	Hella Saturnus Slovenija D.O.O., Slovenia
	Hella Innenleuchten-Systeme GmbH, Germany
	Hella-New Zealand Ltd, New Zealand
	Docter Optics GmbH, Germany
	Hella Automotive South Africa Pty. Ltd., South Africa
	Hella Middle East FZE, Dubai
	Hella Slovakia Signal-Lighting s.r.o
	Hella Slovakia Front-Lighting s.r.o
	Hella Do Brasil Automotive Ltda
	Hella trading (Shanghai) co. ltd.
	Hella Electronics Corp, USA
	Hella LLC, Russia
	Hella S.A.S. France
	Hella Autotechnik Nova, s.r.o.
	Hella Gutmann Solutions GmbH
	Hella Pagid GmbH
	Hella Automotive Mexico S.A.
3 Key management personnel	Mr. Rama Shankar Pandey (Managing Director)

**c) Related party transactions:**

Nature of transaction	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Sale of products</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	1,25,571	1,20,192
Fellow subsidiaries		
- Hella India Automotive Private Limited	3	1,018
- Hella Fahrzeugteile Austria GmbH	13,468	4,730
- Hella Australia Pty. Limited	587	298
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	42,695	48,218
- Hella Automotive South Africa Pty. Ltd.	29,047	24,930
- Hella Middle East FZE	25,960	14,135
- Hella PHIL.INC	294	390
- Hella trading (Shanghai) co. ltd.	317	780
- Hella Romania SRL	41	108
- Hella Do Brasil Automotive Ltda	1,741	1,343
- Hella LLC, Russia	2,831	1,303
- Hella New Zealand Limited	1,358	6
- Hella S.A.S france	29	10
- Hella Innenleuchten Systeme GmbH	33	-



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

*(All amounts are in Thousand Indian Rupees except number of shares)*

<b>Purchase of raw materials</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	38,057	49,482
Fellow subsidiaries		
- Hella India Automotive Private Limited	1,23,499	1,68,833
- Hella Fahrzeugteile Austria	12,522	12,165
- Hella Asia Singapore Pte. Limited	414	13,992
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	55	1,038
- Hella New Zealand Ltd	3,255	3,458
- Hella Pagid GmbH	10,354	7,838
- Hella Saturnus Slovenija D.O.O	3,158	14,921
- Behr Hella Services GmbH	3	2,049
- Docter Optics GmbH	257	3,927
- Hella Australia Pty. Limited	587	2,338
- Hella Slovakia Signal-Lighting s.r.o	32	48
- Hella Innenleuchten Systeme GmbH	8,854	10,122
- Hella Automotive Mexico S.A.	13	-
- HELLA BHAP(Sanhe)Automotive Lighting Co.,Ltd	290	-
- Hella Slovakia Front Light S.R.O.	-	34
- Hella Romania SRL	8,291	5,947
- Hella Innenleuchten System Bratislava S.R.O	379	961
<b>Other operating revenue</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	23,533	19,286
Fellow subsidiaries		
- Hella Fahrzeugteile Austria	3,337	9,312
- Hella India Automotive Private Limited	43	-
- Hella Romania SRL	1,558	-
- Hella Gutmann Solutions GmbH	24,842	26,492
- Hella Asia Singapore Pte. Limited	-	240
<b>Legal and professional</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.) (Guarantee fee for guarantee given against the cash credit facility availed by the Company)	1,438	1,014
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.) (Service specific contract for Purchase services and misc training)	2,029	11,152
Fellow subsidiaries		
- Hella India Automotive Private Limited	6,036	4,970
<b>Interest Paid</b>		
- Hella GmbH & Co. KGaA (ECB)	-	3,225
<b>Employee benefit expenses</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	963	-
<b>Repair and maintenance – others (IT expenses)</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	43,438	37,083
<b>Royalty expenses</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	22,480	25,763



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

<b>Purchase of fixed assets</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA. Germany (Formally Hella KGaA Hueck & Co.)	17,043	5,312
(Interest capitalized on borrowing)		
Fellow subsidiaries		
- Hella Australia PTY LTD	-	78,631
- Hella Fahrzeugteile Austria	-	350
- Hella Romania SRL	1,523	112
- Hella India Automotive Private Limited	75	619
<b>Sale of fixed assets</b>		
Fellow subsidiaries		
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	-	444
<b>Sale of project tools</b>		
Fellow subsidiaries		
- Hella Fahrzeugteile Austria	619	19905
- Hella GmbH & Co. KGaA. Germany (Formally Hella KGaA Hueck & Co.)	260	-
<b>Reimbursement of expenses</b>		
To ultimate holding company		
- Hella GmbH & Co. KGaA. Germany (Formally Hella KGaA Hueck & Co.)	30	320
To fellow subsidiaries		
- Hella India Automotive Private Limited	35	737
- Hella Fahrzeugteile Austria GmbH	7	22
- Hella Romania SRL	40	1
- Hella New Zealand Limited	-	8
- HELLA Autotechnik Nova, s.r.o.	282	19
<b>Reimbursement of expenses</b>		
From ultimate holding company		
- Hella GmbH & Co. KGaA. Germany (Formally Hella KGaA Hueck & Co.)	190	298
From fellow subsidiaries		
- Hella India Automotive Private Limited	1,067	1,213
- Hella Romania SRL	101	2,229
<b>Managerial remuneration</b>		
Key management personnel		
- Rama Shankar Pandey	13,776	12,063

**d) Particulars of balances in respect of related party transactions:**

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Trade receivables</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA. Germany (Formally Hella KGaA Hueck & Co.)	59,595	40,912
Fellow subsidiaries		
- Hella India Automotive Private Limited	-	684
- Hella Fahrzeugteile Austria GmbH	8,042	23,868
- Hella Australia Pty. Limited	67	-
- Hella Innenleuchten-Systeme GmbH	35	-
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	15,580	8,492
- Hella Automotive South Africa Pty. Ltd.	9,105	8,048
- Hella Middle East FZE	3,097	4,681
- Hella S A S france	20	10
- Hella PHIL.INC(Dr)	-	203
- Hella Gutmann Solutions GmbH	2,072	2,556
- Hella trading (Shanghai) co. ltd.	106	69
- Hella Romania SRL	67	795
- Hella LLC, Russia	891	1,289
- Hella Do Brasil Automotive Ltda	1,843	-
- Hella New Zealand Limited	17	-
<b>Long term borrowings</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA. Germany (Formally Hella KGaA Hueck & Co.)	2,50,000	2,71,667



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

<b>Trade payables</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	35,604	61,064
Fellow subsidiaries		
- Hella India Automotive Private Limited	27,405	69,495
- Hella Fahrzeugteile Austria GmbH	3,439	3,861
- Hella Asia Singapore Pte. Limited	-	152
- Hella Saturnus Slovenija D.O.O	973	-
- Hella Innenleuchten-Systeme GmbH	3,271	4,047
- Hella New Zealand Limited	1,431	710
- Hella Australia Pty. Limited	307	140
- Behr Hella Service-GmbH	-	198
- Hella Romania SRL	2,251	1,778
- Hella Pagid GmbH	4,534	1,803
- Docter Optics GmbH	273	-
- Hella Innenleuchten-Systeme Bratislava	214	382
- Hella Automotive Mexico S.A.	14	40
- Hella Slovakia Front Light S.R.O.	22	-
<b>Capital Creditors</b>		
Fellow subsidiaries		
- Hella Australia Pty. Limited	-	73,800
<b>Other Current Liabilities</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	11,264	3,216
<b>Loans and advances</b>		
Fellow subsidiaries		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	-	1,866

**4.36 Leases**
**The Company as a lessee**

The Company's leases primarily consists of leases for building and vehicles. Generally the contracts are made for fixed period and does not have a purchase option at the end of lease term.

Ind AS 116- Leases, has become applicable effective annual reporting period beginning 1 April 2019. The Company has adopted the standard beginning 1 April 2019, using the modified retrospective approach for transition. This has resulted in recognizing "Right of use asset" of Rs. 30,144 and corresponding "Lease liability" of Rs. 30,144 as at 1 April 2019.

Consequently in the statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from "Rent"/"Other expenses" in previous period to "Depreciation & amortization expense" for the Right of use asset and "Finance cost" for interest accrued on Lease liability. As a result "Rent"/"Other expenses", "Depreciation and amortization expense" and "Finance cost" of the current year is not comparable to previous year. This has also resulted in change in cash flow from operating activities and financing activities for relevant expenses.

**(i) Amount recognised in the Balance sheet**

The balance sheet shows the following amounts relating to the leasess:

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Right of use assets</b>		
Building	28,817	-
Vehicles	1,327	-
<b>Total</b>	<b>30,144</b>	<b>-</b>

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Lease liabilities</b>		
Current	10,676	-
Non-current	11,000	-
<b>Total</b>	<b>21,676</b>	<b>-</b>

**Maturity analysis of lease liabilities**

Particulars	As at 31 March 2020	As at 31 March 2019
Within one year	10,676	-
Later than one year but less than five years	11,000	-
Later than five years	-	-
<b>Total</b>	<b>21,676</b>	<b>-</b>

**(ii) The amount recognised in the statement of profit and loss**

The statement of profit and loss shows the following amounts relating to the leasess:

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Depreciation charge of right of use of assets</b>		
Building	9,953	-
Vehicles	574	-
<b>Total</b>	<b>10,527</b>	<b>-</b>

Particulars	As at 31 March 2020	As at 31 March 2019
Interest expense on lease liabilities (included in finance cost)	1,971	-
Expenses relating to short term and low value leases (included in other expenses)	4,883	-
The total cash outflow for leases for the year ended 31 March 2020 were Rs.	<b>15,322</b>	<b>-</b>

**(iii) Extention and termination option**

Extention and termination options are included in various leases executed by the Company. These are used to maximise operational feasibility in terms of managing the assets used in company's operations. Generally, these options are exercisable mutually by both the lessor and lessee.



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

*(All amounts are in Thousand Indian Rupees except number of shares)*

(iv) The Company has operating leases under non-cancellable arrangement. The details of minimum lease obligations and lease payments recognised during the year are as under :

Particulars	As at 31 March 2020	As at 31 March 2019
Operating lease payments recognised during the year	-	13,450
Not later than 1 year	-	5,990
Later than 1 year but not later than 5 years	-	11,675
Later than 5 years	-	-

After the new accounting standard Ind AS 116, "Leases" coming into effect from 1 April 2019, the above operating leases have been accounted for as per the accounting principles of Ind AS 116 and Right of use asset has been recognised with corresponding lease liability.

**4.37 Earnings/(loss) per share**

Particulars	As at 31 March 2020	As at 31 March 2019
Profit/ (Loss) after tax	19,088	54,727
Weighted average number of equity shares outstanding during the year	31,71,400	31,71,400
Basic and diluted earnings/ (loss) per share in rupees (face value – Rs. 10 per share )	6.02	17.26

The Company has not issued any potential equity shares and accordingly the basic earnings/(loss) per share and diluted earnings/ (loss) per share is the same.

4.38 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arms length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for

**4.39 Additional information****a) Expenditure in foreign currency**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Employee benefit expenses	963	-
Travelling	1,843	4,344
Repairs and maintenance- others (IT expenses)	43,438	37,083
Legal and professional	5,210	12,166
Royalty	22,480	25,763
Other Misc	359	-

**b) Earnings in foreign currency**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
F.O.B. value of exports	2,44,703	2,17,528
Other income (Development of tools)	52,164	55,331

4.40 As stated in Part II Section A above, the promoters of the Company hold 82.55% of the total issued and subscribed equity capital of the Company and balance 17.45% stake is held by public shareholders. In 2005-06, the Company had applied for delisting from Delhi Stock Exchange ('DSE') and Bombay Stock Exchange ('BSE'). While DSE allowed the Company to delist, BSE rejected the application vide letter dated 15 February 2006. On appeal, the Securities Appellant Tribunal ('SAT') passed a favorable order dated 27 May 2008 for delisting of the Company. However, the said order of SAT was challenged before the Honourable Supreme Court of India by certain individual shareholders. The Supreme Court vide order dated 24 October 2008 stayed the delisting of the Company and the matter was sub-judice.

On 10 December 2014, the Hon'ble Supreme Court dismissed the appeal and granted its permission for delisting of the Company and further added that, the order passed by Securities Appellant Tribunal (SAT) on 27 May 2008 should be treated as valid from the date of passing such order. Subsequent to the order, the Company requested Bombay Stock Exchange (BSE) vide letter dated 19 December 2014 to grant the delisting permission. Further to the request, an aggrieved shareholder had filed a complaint with Securities Exchange Board of India vide email dated 26 December 2014 on the exit price for the shareholders. The Company has responded to the grievance vide letter dated 2 February 2015.

On 17 April 2015, the Bombay Stock Exchange delisted the shares of the Company w.e.f. 30 April 2015 and stated that the exit option will be kept open by the Acquirer – Hella India Automotive Private Limited (HIAPL) initially for six months at a rate of Rs. 52.39 per equity share. The board of directors of HIAPL periodically extends the exit option to buy the shares which is still open.





**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

**4.41 Disclosure in respect of Indian Accounting Standard 37 'Provisions, Contingent Liabilities & Contingent Assets' are as below:**

The Company has made provision for various contractual obligation based on its assessment of the amount it estimates to incur such obligations, details of which are given below:

Particulars	As at 1 April 2019	Additions	Utilisations	As at 31 March 2020
Provision for export obligations under EPCG license *	1,094	-	-	1,094
Provision for warranty** (including additional warranty on interior lamp)	35,687	4,773	5,995	34,465

\* The Company had taken 2 EPCG licenses amounting to Rs. 2,120 in the year 2005 against which the Company has not fulfilled the export obligation. During the previous year, Company has surrendered the licences and paid the duty saved and interest thereon of Rs. 4,281 with the department and waiting for no dues from the department.

\*\* The sales of Independent Aftermarket is covered by a warranty period of 6 months except two items i.e. DRL structured lens and LED tail lamp for which the warranty period is for 5 years.

4.42 Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard. The Act requires such companies to constitute a Corporate Social Responsibility Committee which shall formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.

- |   |       |
|---|-------|
| a) Gross amount required to be spent by the Company during the year : | 1,566 |
| b) Amount spent and paid during the year :                            | 1,570 |

Particulars of amount paid during the year	For the year ended 31 March 2020	For the year ended 31 March 2019
For road safety activities	1,570	1,460
<b>Total</b>	<b>1,570</b>	<b>1,460</b>

4.43 There were no amounts which were to be transferred to Investor and Protection Fund by the Company.

**4.44 Capital management:**

The Company's objective for managing capital is to ensure as under:

- To ensure the company's ability to continue as a going concern.
- Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- Maintain an optimal capital structure.
- Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- Compliance of financial covenants of borrowing facilities.
- Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings. There have been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

**4.45 Financial risk management:**

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

(i) **Market risk:** Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include future commercial transactions, recognised financial assets and liabilities not denominated in Indian rupee.

**(a) Foreign exchange risk:**

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO and JPY. The Company has maintained EEFC current account to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

**The Company's foreign currency exposure not hedged is as follows:**

Particulars	As at 31 March 2020		As at 31 March 2019	
	(in original currency)	(in Rupees)	(in original currency)	(in Rupees)
<b>Trade receivable</b>				
- EURO	905	73,915	974	74,235
- USD	357	26,646	244	16,686
<b>Trade payables</b>				
- EURO	646	54,763	995	78,165
- USD	543	41,500	194	13,610
- AUD	7	307	3	140
<b>Capital Creditors</b>				
- EURO	8	636	9	699
- AUD	-	-	1,487	73,800
<b>Cash in hand and at bank</b>				
- EURO	149	12,333	-	-
- USD	63	4,729	-	-

(b) **Interest rate risk:** Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant /material interest rate risk as the the Company's long-term debt obligations are with fixed interest rates.

(c) **Credit risk:** Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was :-

Particulars	As at 31 March 2020	As at 31 March 2019
Investments	20	20
Security deposits (current and non - current)	7,829	6,886
Trade receivables	2,96,080	3,43,576
<b>Total</b>	<b>3,03,929</b>	<b>3,50,482</b>

Particulars	As at 31 March 2020	As at 31 March 2019
Not past due	1,80,447	2,34,912
Past due 0-30 days	57,895	88,228
Past due 31-90 days	56,360	19,570
Past due 90 days-one year	1,377	866
More than one year	7,850	6,906
<b>Total</b>	<b>3,03,929</b>	<b>3,50,482</b>

**Movement of allowance for financial assets**

Particulars	As at 31 March 2020	As at 31 March 2019
Opening allowance for financial assets	1,993	3,755
Add: Addition in allowances during the year	1,295	-
Less: Adjusted/reversed during the year	-	1,762
<b>Closing allowance for impairment in financial assets</b>	<b>3,288</b>	<b>1,993</b>



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

*(All amounts are in Thousand Indian Rupees except number of shares)*

d) **Liquidity risk:** The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of its funds in bank. Liquidity risk is managed by company's established policy & procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities, by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities. The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31 March 2020:

**As at 31 March 2020**

Particulars	Carrying amount	Contractual cash flows	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Trade payables</b>	3,95,558	3,95,558	-	3,95,558	-	-	-	3,95,558
<b>Borrowings</b>								
Non Cumulative Non-convertible Redeemable Preference Shares	46,144	11,43,630	-	-	-	-	11,43,630	11,43,630
Term loan from related party	2,50,000	2,50,000	-	-	-	2,50,000	-	2,50,000
<b>Other financial liabilities</b>								
Loan repayable on demand	1,05,457	1,05,457	1,05,457	-	-	-	-	1,05,457
Interest accrued and due	11,264	11,264	-	11,264	-	-	-	11,264
Payable on purchase of fixed assets	9,186	9,186	-	9,186	-	-	-	9,186
Security deposits received	4,644	4,644	-	-	-	-	4,644	4,644
<b>Total</b>	<b>8,22,253</b>	<b>19,19,739</b>	<b>1,05,457</b>	<b>4,16,008</b>	<b>-</b>	<b>2,50,000</b>	<b>11,48,274</b>	<b>19,19,739</b>

**As at 31 March 2019**

Particulars	Carrying amount	Contractual cash flows	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Trade payables</b>	4,05,819	4,05,819	-	4,05,819	-	-	-	4,05,819
<b>Borrowings</b>								
Non Cumulative Non-convertible Redeemable Preference Shares	41,365	11,43,630	-	-	-	-	11,43,630	11,43,630
Term loan from related party (including current maturities)	2,71,667	2,71,667	-	21,667	-	2,50,000	-	2,71,667
<b>Other financial liabilities</b>								
Loan repayable on demand	1,37,432	1,37,432	1,37,432	-	-	-	-	1,37,432
Interest accrued but not due	1,094	1,094	-	-	1,094	-	-	1,094
Interest accrued and due	2,122	2,122	-	2,122	-	-	-	2,122
Payable on purchase of fixed assets	88,140	88,140	-	88,140	-	-	-	88,140
Security deposits received	3,833	3,833	-	-	-	-	3,833	3,833
<b>Total</b>	<b>9,51,472</b>	<b>20,53,737</b>	<b>1,37,432</b>	<b>5,17,748</b>	<b>1,094</b>	<b>2,50,000</b>	<b>11,47,463</b>	<b>20,53,737</b>



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Thousand Indian Rupees except number of shares)

**4.46 Fair value measurements**

The carrying value of the Company's financial instruments by categories as follows:- (measured at amortised cost)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Other non current assets	13,227	13,227	14,171	14,171
Inventories	2,25,618	2,25,618	2,03,637	2,03,637
Trade receivables	2,96,080	2,96,080	3,43,576	3,43,576
Cash and cash balance	76,041	76,041	2,46,798	2,46,798
Other financial assets-	7,829	7,829	6,886	6,886
Other current assets	1,21,234	1,21,234	90,510	90,510
<b>Total</b>	<b>7,40,029</b>	<b>7,40,029</b>	<b>9,05,578</b>	<b>9,05,578</b>
<b>Financial liabilities</b>				
Trade payables	3,95,558	3,95,558	4,05,819	4,05,819
Other financial liabilities	20,450	20,450	1,13,023	1,13,023
Provisions	39,318	39,318	40,491	40,491
Other current liabilities	13,184	13,184	26,587	26,587
<b>Total</b>	<b>4,68,510</b>	<b>4,68,510</b>	<b>5,85,920</b>	<b>5,85,920</b>

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, investments, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-

For and on behalf of Board of Directors of  
Hella India Lighting Limited

  
Rama Shankar Pandey  
Managing Director

  
Anil Sultan  
Director

  
Aakritee Khanna  
Company Secretary  
Place: Gurgaon  
Date: July 21, 2020

  
Narender Jain  
Chief Financial Officer



**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Hella India Lighting Limited**  
**CIN: U74899DL1959PLC003126**

**Regd. Office:** K-61B, LGF, Kalkaji, New Delhi – 110019.

Name of the member(s): e-mail Id:  
 Registered address: Folio No/ \*Client Id:  
 \*DP Id:

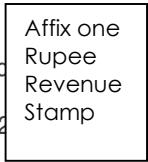
I/We being the member(s) of.....Shares of Hella India Lighting Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **60th Annual General Meeting** of the Company, to be held on Friday, September 25, 2020 at 12.30 P.M. via Video Conferencing through Insta Meet (<https://instameet.linkintime.co.in>), and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

- 1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Including consolidated for the financial year ended 31st, March, 2020.
- 2. Approve the remuneration of Cost Auditors for the financial year ending March 31<sup>st</sup>, 2020
- 3. Approve the reappointment of Mr. Rama Shankar Pandey as Managing Director



Signed this..... day of.....2020

Signature of shareholder

Signature of first proxy holder    Signature of second proxy holder    Signature of third proxy holder

**Notes:(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**

**(2) A Proxy need not be a member of the Company.**

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

(4) This is only optional. Please put a (√) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**ATTENDANCE SLIP**

**Hella India Lighting Limited**  
**CIN: U74899DL1959PLC003126**

**Regd. Office:** K-61B, LGF, Kalkaji, New Delhi – 110019.

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I, hereby record my presence at the 60<sup>th</sup> ANNUAL GENERAL MEETING of the Company . via Video Conferencing through Insta Meet (<https://instameet.linkintime.co.in>) at 12:30 PM on Friday the 25<sup>th</sup> Day of September, 2020.

.....  
Full name of the shareholder  
(in block capitals) Signature

Folio No...../DP ID No.\* ..... & Client ID No.\* .....

.....  
Full name of Proxy  
(In block capitals) Signature

NOTE: Shareholder/Proxy holder desiring to attend the meeting should bring his copy.

If undelivered, please return to:

**Hella India Lighting Limited**

CIN:U74899DL1959PLC003126

Registered Office : K-61B, LGF,  
Kalkaji, New Delhi - 110019