

An abstract graphic of several glowing, curved lines in shades of yellow and blue, resembling a stylized rainbow or a series of light trails, arches across the middle of the page. The lines are composed of many small dots connected by thin lines, giving it a digital or particle-like appearance.

TOGETHER

HELLA INDIA LIGHTING LIMITED  
ANNUAL REPORT 2020-21

# 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

Brake Fluid

Brake Pads



Wiper Blade

Filter

Spark Plug

Lubricants

Coolant

Test Equipment  
(Beamsetter)



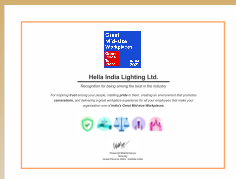
Great  
Place  
To  
Work®

India's Great Mid-size  
Workplaces

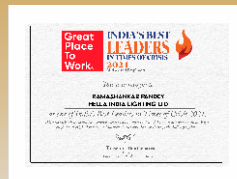
INDIA

2021

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



India's Great  
Mid-size Workplaces  
Award - 2020



India's Best Leaders  
in Times of Crisis  
Award - 2021



APEA 2021 Award



Company of the Year  
Auto & Auto Component Dare  
to Dreams Award - 2019



FICCI Road Safety  
Awards, 2019



CII Industrial Innovation  
Award - 2017



CSR Leadership Award



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



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



**Dear Shareowners,**

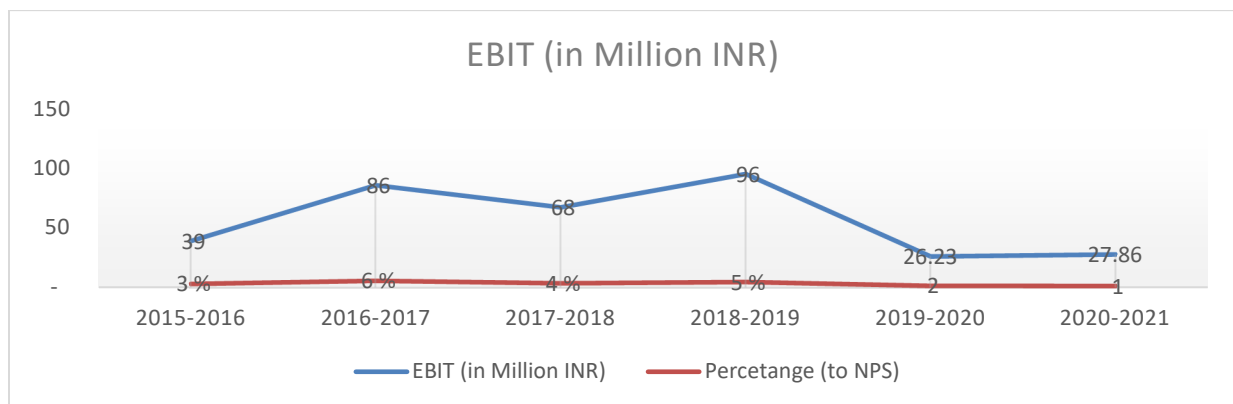
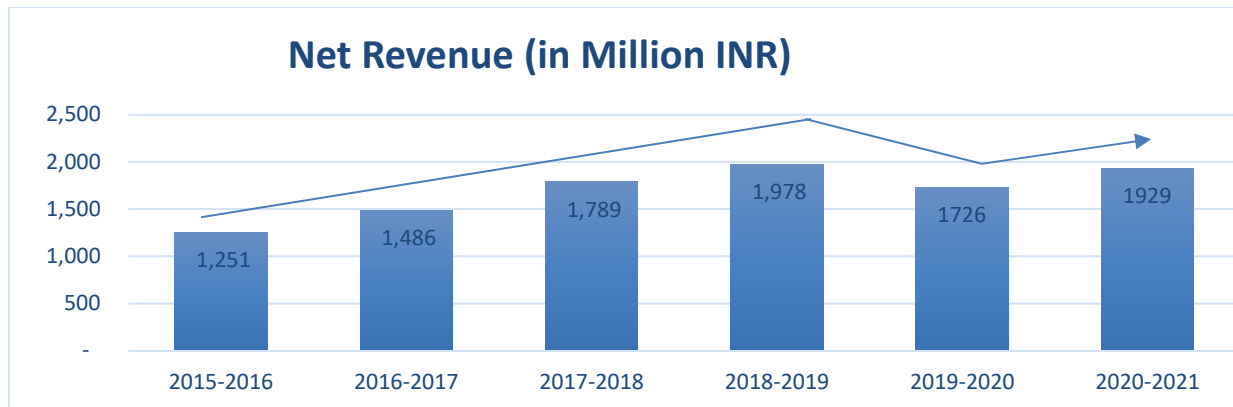
As we present the 61<sup>st</sup> Annual report of Hella India Lighting Limited, we hope you're doing fine amidst the pandemic along with your family. This year has brought its own share of upheavals and challenged us with unforeseeable obstacles, both in terms of health & well being of individuals and in terms of doing business. We have managed to stay resilient, thanks to your support.

The Financial Year 2020-2021 was a significant period of growth and prosperity for us, both in terms of profitability and sales.

After the full national lockdown during 25 March to 30 April 2020 and partial lockdown that continued in varying stages up to 30 November 2020, things were gradually moving for the better. Subsequent to the first and second quarters of FY2021 — when real GDP crashed — we were beginning to see some green shoots of recovery.

In such disheartening circumstances, your Company has done quite well in not only limiting its downside but also in posting relatively healthy results. The major reason of increase is improvement in Export sale and Aftermarket (IAM) domestic. Let me briefly share these.





During the year, Hella undertook a lot of initiatives, which are expected to have environmental benefits and improve sustainability of the organization. At our Derabassi plant we have Installed 302 KW roof top Solar plant towards Green energy. New Arzuffi Metallizer has been installed with latest technology, which has 3 Times higher capacity as compared to existing Metallizer. Also, 1st Time ever BMC Reflectors, PC Lenses & 2K lenses are being produced in HIL.

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 lamps. 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 developing new products 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's. This has reaffirmed our strength as one of the leaders in the automotive 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 various new product like 2W head lamp, 2W Spark Plugs, Break pads for PCV, Engine Oil Range Extension and Filter Range Extension in order to strengthen our product portfolio.

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 needed trainings, ensuring their and the company's success simultaneously. HELLA has been able to achieve benchmark in quality performance because of this very approach.

HELLA takes great pride that our Leadership Team at HIL has been acknowledged as India's Best Leader in Times of Crisis, by GPTW. We are also pleased to inform you that we have been certified again as 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 2021 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.

Our efforts at ensuring road safety manifested into collaborations with NGO ClubD2S that is working towards arresting alarming road deaths. Hella along with NGO, Drive Smart Drive Safe, FICCI, SIAM & many other like-minded organisations, launched an Innovative & Participative Mass Campaign on Road Safety, titled #SafeSpeedChallenge, in a format of National Road Safety Championship Challenge. The campaign started during the Ministry's 1st ever National Road Safety Month and was flagged off on January 18th by Hon'ble Minister's Rajnath Singh Ji & Shri Nitin Gadkari Ji. An All-Women Team of Challengers went on a never before mission from Amritsar to Kanyakumari in India's 1st ever National Championship on Safe Driving. These women took the challenge to be part of Live-On-Camera National Championship of Safe Driving, defeating 3.5 lakh potholes and road risks on Indian roads.

These Challengers drove to Kanyakumari via Amritsar, Chandigarh, Delhi, Jaipur, Udaipur, Vadodara, Mumbai, Goa, Mangalore, Kozhikode/Calicut & Trivandrum. The Rally reached its final destination Kanyakumari on 29th January after travelling 3500 km across the country demonstrating safe speed & safe distance throughout the journey, driving in Convoy style maintaining Traffic Distancing format and Safe Speed & Safe Distance between the vehicles and became "Role-Model" for all Road Users. The rally was Live all throughout, with Speed & location tracking.

The objective of this campaign was not only to induce behavioral shift among masses, but to also encourage Corporate's, Industry Associations, NGOs, and Civic Bodies to come together & take Safe Speed Challenge Championship, for the noble cause of reducing road deaths

The rally further motivated Citizens to join National Championship across the country as a Popular Game to learn Speed management themselves, through a Mobile App Voice Alerts. Anyone could download India Against Road Crash App to participate or Register for the Challenge on [www.indiaagainstroadcrash.org](http://www.indiaagainstroadcrash.org), take a 8 Point Road Safety Pledge, receive instant Participation Certificate & Challenge their Friends & Family by tagging them on social media and drive safely during

Road Safety month, while using the App. to slow down when alerted for any safety hazard and in the process score Safe Speed Miles in Kilometers to Win the championship & take the Trophy home.

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 to 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 conquering them all.

Now I would like to take this opportunity to thank all our employees for their contribution which has led to the continued success of Hella. 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. Vaccinate yourselves. Remain protected.

Sd/-

Sincerely yours

Ramashankar Pandey

**INSIDE THIS REPORT**

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INDEPENDENT AUDITORS' REPORT & ANNEXURES

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF CHANGE IN EQUITY AS AT 31 MARCH 2021

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021



**BOARD OF DIRECTORS**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non – Executive Independent Director

Mr. Rama Shankar Pandey  
Managing Director

Mr. Christoph Boris Sohnchen  
Additional Director

**EXECUTIVE OFFICERS**

Mr. Amit Bhardwaj  
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

**SHARE TRANSFER 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 (CSR)  
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

**NOMINATION & REMUNERATION COMMITTEE**

Mr. Avinash Razdan Bindra  
Non – Executive Independent Director

Mr. Tarun Gulati  
Non - Executive Independent Director

## **CORPORATE INFORMATION**

### **STATUTORY AUDITORS**

M/s Deloitte Haskins & Sells LLP,  
Chartered Accountants,  
7<sup>th</sup> Floor, Building 10, Tower B  
DLF Cyber City Complex, DLF City Phase-II  
Gurugram, Haryana 122002, India

### **INTERNAL AUDITOR**

(Gurugram and Pune Location)  
M/s Jain Pramod Jain & Co.,  
Chartered Accountants  
F-591, Sarita Vihar,  
New Delhi – 110 076

### **REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
44 Community Center, 2<sup>nd</sup> Floor,  
Naraina Industrial Area,  
Phase – 1, New Delhi - 110028

### **REGISTERED OFFICE**

K-61B, LGF, Kalkaji, New Delhi – 110019.  
T (+91) 124 4425700  
CIN U74899DL1959PLC003126  
W [www.hella.com](http://www.hella.com)

### **CORPORATE OFFICE**

6<sup>th</sup> Floor, Platinum Tower,  
Plot No. 184, Udyog Vihar,  
Phase – I, Gurugram,  
Haryana – 122 016 ,  
T (+91) 124 4658600  
F (+91) 124 4658699

### **BANKERS**

HDFC Bank  
Deutsche Bank  
State Bank of Patiala  
State Bank of India  
Canara Bank  
HSBC Bank  
Axis Bank

### **WORKS**

#### **MANUFACTURING UNIT – I**

Ambala Chandigarh Highway, Derabassi - 140507

#### **MANUFACTURING & TRADING WAREHOUSE**

- Shri Mookambika Enterprises, No 16, Thattankulam Road, Madhavaram, Chennai, Tamil Nadu
- Khasra Number 2914, Kataria Industrial Complex, Daultabad Road, Near Symphony Prints, Gurugram, Haryana – 122001

#### **TRADING WAREHOUSE AT – PUNE**

Chambli Phata, Chambli Goan Road, Opp – Vitthal Nagar, Chakan Dist – Pune, Maharashtra, Pin Code – 410501

## NOTICE

NOTICE is hereby given that the **61<sup>st</sup> Annual General Meeting** of the Members of Hella India Lighting Limited ('the Company') will be held on Thursday, the 30<sup>th</sup> Day of September 2021, at 12:30 P.M. via Video Conferencing / Other Audio Visual Means (OAVM) 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, 2021**

To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2021, the Audited Statement of Profit and Loss Account for the year ended on that date, together with Reports of Auditors' and Directors' thereon.

**2. Appointment of M/s S.N. Dhawan & CO LLP as the Statutory Auditor of the Company and to fix their remuneration**

To appoint M/s S.N. Dhawan & CO LLP (Firm Registration no. 000050N/N500045) as the Statutory Auditor of the Company, for a term of 5 (five) consecutive years, from the conclusion of this 61<sup>st</sup> Annual General Meeting (AGM), till the conclusion of the 66<sup>th</sup> AGM of the Company, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), at a remuneration of INR 13,00,000/- (Indian Rupees Thirteen Lacs only), per annum/year (plus applicable taxes/GST) and such reimbursement of out-of-pocket expenses incurred in connection with the statutory audit and on such other terms and conditions (including revision in remuneration), as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditor.

### SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 161 of the Companies Act 2013, applicable provisions of Articles of Association of the Company and any other provisions as may be applicable for the time being in force, Mr. Christoph Boris Sohnchen, who was appointed as Additional Director of the Company by the Board of Directors with effect from 09th January 2021 and who holds office upto the conclusion of 61st Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act, 2013, proposing his candidature for the office of the Director, be and is hereby appointed as a Director (Non-Executive) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to take all such actions as may be considered necessary to give effect to the aforesaid Resolution".

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

"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 SARK & Co., Cost Accountant (Firm Registration No. 005113) who have been appointed by the Board of Directors vide resolution dated 27<sup>th</sup> August, 2021 to conduct the audit of cost records & statements to be maintained by the Company for the financial year ending 31<sup>st</sup> March, 2022, at a remuneration of Rs. 67,000/- (Rupees Sixty Seven thousand only) per annum, plus applicable taxes and out of pocket expenses (if

any), as may be mutually agreed and approved by the Board of Directors of the Company, be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to take all such actions as may be considered necessary to give effect to the aforesaid Resolution”.

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

“RESOLVED THAT pursuant to Section 149, 152 and/or any other provision of the Companies Act 2013, read with Companies (Appointment & Qualification of Directors) Rules 2014, and any other provisions as may be applicable for the time being in force, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Tarun Gulati (having Director Identification Number : 07323709), as an Independent Director of the Company, who shall hold office for a term of five (5) consecutive years i.e. from the conclusion of this 61<sup>st</sup> AGM, upto the conclusion of the 66th AGM of the Company.

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director of the Company and Ms. Aakritee Khanna – Company Secretary of the Company be and are hereby severally authorized to sign and file necessary forms and to do all such acts, deeds and things as may be deemed necessary and expedient in this regard.”

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

Place: Gurugram  
Dated: 27<sup>th</sup> August, 2021

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  
**W**www.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. 3,4 & 5 of the notice is annexed hereto.

2. PROXY FORM & ATTENDANCE SLIP ARE NOT ENCLOSED WITH THIS NOTICE SINCE THE PROVISION/FACILITY FOR APPOINTMENT OF PROXY(S) BY MEMBERS IS NOT AVAILABLE, AS THE AGM WILL BE HELD THROUGH VC/OAVM AND PHYSICAL ATTENDANCE OF THE MEMBERS IS DISPENSED WITH, PURSUANT TO APPLICABLE CIRCULARS OF MCA.

3. In accordance with the prescribed circulars of MCA, The Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company and shall also be made available at the website of the Company, i.e. www.hella.co.in. Members attending the AGM through VC/OAVM shall be counted for the purpose of quorum, pursuant to the provisions of Section 103 of the Act.

In accordance with the Circulars, members who have not registered their e-mail address may register their e-mail address or with their depository participant or send an e-mail at id.jyoti.singh@linkintime.co.in, along with their folio no./DP ID client ID and valid e-mail address for registration.



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. Due to the continuity of the COVID-19 pandemic and pursuant to General Circular nos. 14/2020, 17/2020, 20/2020, and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020, and January 13, 2021, respectively, issued by MCA, companies are permitted to hold their Annual General Meeting (AGM) through VC/OAVM, without the physical presence of the members at a common venue. Accordingly, the ensuing 61<sup>st</sup> AGM of the Company shall be held through VC/OAVM, in compliance with the provisions of the Act, and applicable Rules. The deemed venue for the 61<sup>st</sup> AGM shall be the registered office of the Company situated at **K61-B, LGF, Kalkaji, New Delhi – 110019, Delhi, India.**

Since the AGM will be held through VC/OAVM, the route map is not annexed to this notice.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from 22<sup>nd</sup> September, 2021 to 30<sup>th</sup> September, 2021 (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), Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 or at their e-mail id [jyoti.singh@linkintime.co.in](mailto:jyoti.singh@linkintime.co.in).

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 61<sup>st</sup> Annual General Meeting of the members of the company, to be held on Thursday, September 30, 2021, 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 27th September 2021	Upto 5:00 P.M. on 29th September 2021

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 27<sup>nd</sup> September 2021 at 9:00 AM and ends on 29<sup>th</sup> September, 2021 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 22<sup>nd</sup> September, 2021, 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.**

## PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only.

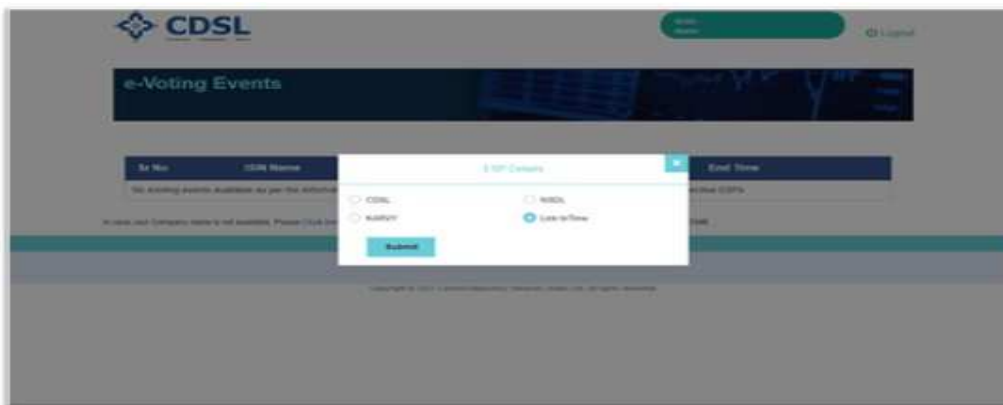
Login method for Individual shareholders holding securities in demat mode with CDSL is given below:

- Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
- After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>  
CDSL Easi / Easiest Login Page



e:

CDSL Easi / Easiest Inbox Page: Evoting Service Provider Links



Shareholders re-directed to InstaVote Inbox Page:



<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ul>
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Helpdesk for Individual Shareholders holding securities in demat mode with CDSL:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43

Login method for **Individual shareholders holding securities in demat mode with NSDL** is given below:

- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com>
- Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.
- After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “Register Online for IDeAS “Portal or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>







<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ul>
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**Helpdesk for Individual Shareholders holding securities in demat mode with NSDL:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

<p><b><u>For Individual shareholders holding securities in physical mode</u></b></p>	
<p><b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b></p>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> </ol> <p><input type="checkbox"/> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <p>User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.                  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.</p>

	<p>DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p> <p>Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <p>Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</p> <p><input type="checkbox"/> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p><input type="checkbox"/> Click "confirm" (Your password is now generated).</p> <p>2. Click on 'Login' under 'SHARE HOLDER' tab.  3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.  4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.  5. E-voting page will appear.  6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).  7. After selecting the desired option i.e. Favour / Against, 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.</p>
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### Other Instructions

The Remote e-voting period commences on 27<sup>th</sup> September, 2021 at 9.00 A.M. and ends on 29<sup>th</sup> September, 2021 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 22<sup>nd</sup> September 2021, may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

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 Wednesday, 22<sup>nd</sup> September, 2021.

Mr. J.K.Gupta, Practicing Company Secretaries (email: 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 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 i.e. id [jyoti.singh@linkintime.co.in](mailto:jyoti.singh@linkintime.co.in)
2. for the general meeting.
3. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
4. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
5. Other shareholders may ask questions to the panelist, via active chat-bot during the meeting.
6. Please remember speaking serial number and start your conversation with panelist 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.

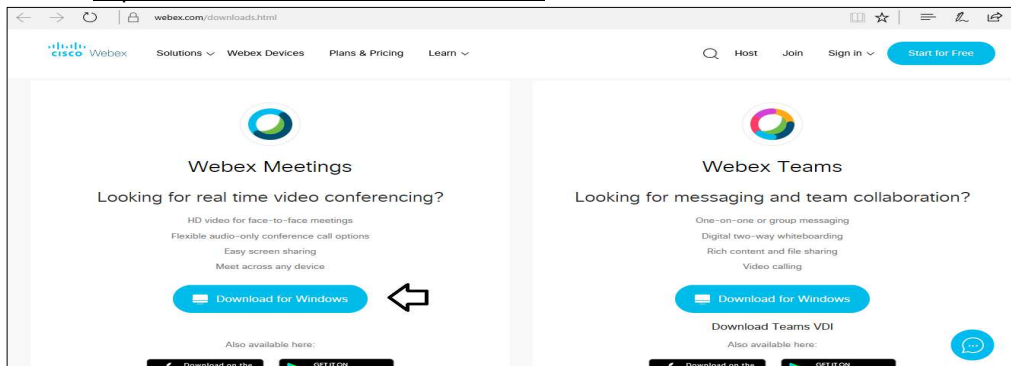
**InstaMeet Support Desk**  
**Link Intime India Private Limited**

## **Annexure**

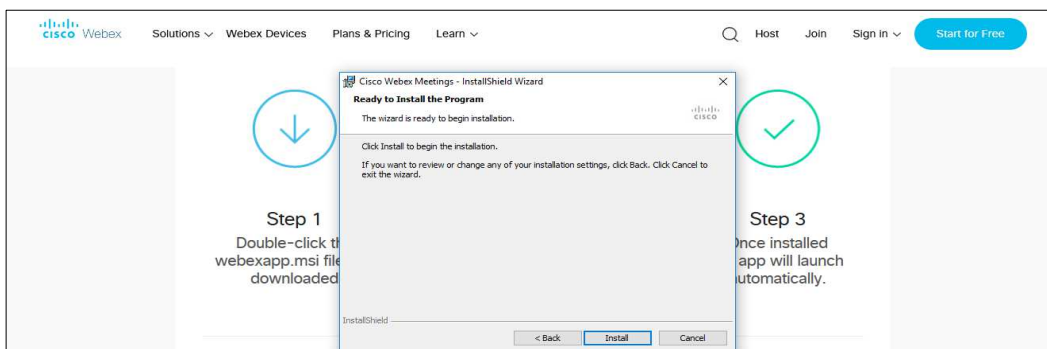
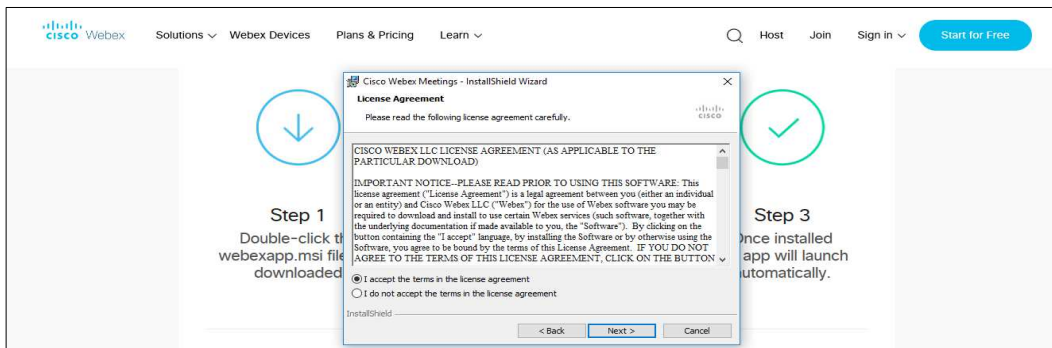
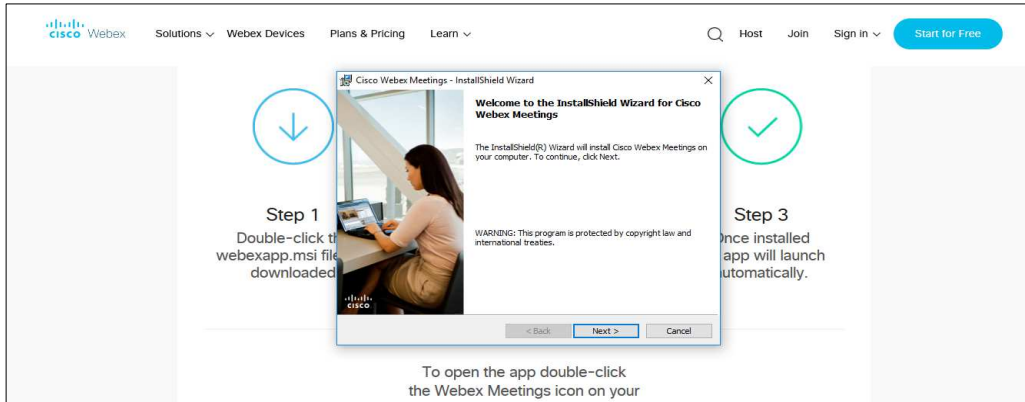
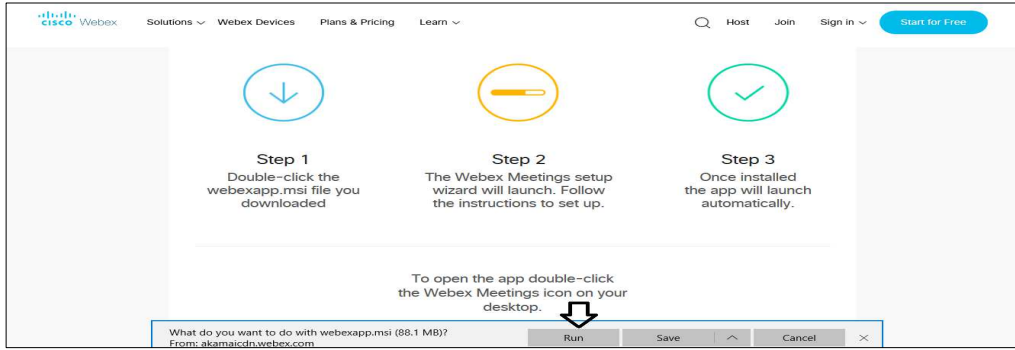
### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

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/>







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:

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

The screenshot shows the Cisco Webex 'Join Event Now' interface. On the left, there is 'Event Information' including status, date, duration, and description. On the right, there is a registration form with fields for 'First name', 'Last name', 'Email address', and 'Event password'. A 'Join Event Now' button is present, along with a 'Join by browser' link. A red arrow points to the 'Join Event Now' button, and another red arrow points to the 'Join by browser' link. A red box highlights the text 'Mention your First name, Last name and email address'.

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

Place: Gurugram  
Dated: 27<sup>th</sup> August, 2021

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  
**W** www.hella.com

### 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. 3, 4 & 5 of the accompanying Notice:

#### Item No. 3

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and in compliance with the provisions of Section 149 of the Companies Act, 2013 along with applicable/relevant Rules, Mr. Christoph Boris Sohnchen was appointed as an Additional Director w.e.f. 09th January 2021 by the Board of Directors of the Company and he shall hold the office as Additional Director, upto the conclusion of this Annual General Meeting.

Mr. Christoph Boris Sohnchen is well educated and is having a rich experience of Automotive Sector.

Your Board of Directors considers that it would be in the interest of the Company to appoint him as Director (Non-Executive) of the Company, since he is holding valuable professional expertise in the automobile sector.

The draft terms and conditions of appointment of Mr. Christoph Boris Sohnchen shall be open for inspection at the registered office of the Company by any member on any working day during normal business hours till the date of AGM. Brief particulars of Mr. Christoph Boris Sohnchen are given below:

Name	:	Mr. Christoph Boris Sohnchen
Brief Profile	:	Mr. Sohnchen is having decades of rich experience in the automotive sector, including his current tenure in HELLA Group.
Shareholding in the Company	:	Nil
Other Directorships	:	Nil

The Board recommends the resolution for approval by the Members. None of the Directors, Manager, Key Managerial Personnel & their relatives, except Mr. Christoph Boris Sohnchen, who is an appointee, are concerned or interested, financial or otherwise, in this resolution.

#### ITEM NO. 4

The Shareholders be informed that in the ensuing 61<sup>st</sup> AGM, the tenure of 1<sup>st</sup> Term of Mr. Tarun Gulati, presently acting as Independent Director of the Company, would come to an end. However, Board of Directors of your company considers that Mr. Tarun Gulati's continued association would be of immense benefit to the Company. The Nomination & Remuneration Committee of the Company & the Board members are of the opinion that Mr. Tarun Gulati has fulfilled the conditions for his re-appointment, as mentioned under the Act and the rules made thereunder and further that Mr. Tarun Gulati is independent of the Management of the Company. Accordingly, the Board recommends for the re-appointment of Mr. Tarun Gulati as Independent Director of the Company, for a term of five (5) consecutive years i.e. from the conclusion of this ensuing 61<sup>st</sup> Annual General Meeting, upto the conclusion of the 66<sup>th</sup> Annual General Meeting of the Company.

The Company has received the required declaration from Mr. Tarun Gulati, stating that he meets the criteria of independence, as prescribed under Section 149 of Companies Act 2013.

The draft terms and conditions of appointment of Mr. Tarun Gulati as an Independent Director of the Company shall be open for inspection without any fee by any member of the Company at the registered office of the Company on any working day during normal business hours, till the date of AGM.

Brief particulars of Mr. Tarun Gulati are given below:

Name	:	Mr. Tarun Gulati
Qualification	:	Bachelor in Textile Technology
Brief Profile	:	Mr. Tarun Gulati is having more than 33 years of rich experience in R&D and product lifecycle management responsibility of new generation currency automation machines.
Shareholding in the Company	:	Nil
Other Directorships	:	He is Managing Director of M/s HUBER+SUHNER Electronics Pvt. Ltd.
He is also the member of Audit Committee, Stakeholders' Relationship Committee, Share Transfer Committee, Nomination & Remuneration Committee & CSR Committee of the Company.		

In view of the same, the Board of Directors of the Company is seeking your approval for appointment of

Mr. Tarun Gulati as an Independent Director, for a term of five (5) consecutive years i.e. from the conclusion of this ensuing 61st Annual General Meeting, upto the conclusion of the 66th Annual General Meeting of the Company.

None of the Directors, except Mr. Tarun Gulati himself, is interested or concerned in the said resolution.

#### **ITEM NO. 5**

The Board of Directors have approved the appointment of M/s SARK & Co., Cost Accountant (Firm Registration No. 005113) as the Cost Auditor of the Company, to conduct the audit of Cost records and statements of the Company, for the financial year ending 31st March, 2022, at the remuneration of Rs. 67,000/- (Rupees Sixty-Seven thousand only) per annum plus applicable taxes and out of pocket expenses (if any), as may be mutually agreed and approved by the Board of Directors of the Company. 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. 5 of the notice, for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31st, 2022.

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. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the notice for approval by the Shareholders.

HELLA India Lighting Limited

Place: Gurugram  
Dated: 27<sup>th</sup> August, 2021

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  
**W**www.hella.com

## DIRECTORS' REPORT

Dear Members,

Your Directors take great pleasure in presenting the 61<sup>st</sup> Annual Report & Board of Directors' Report of **Hella India Lighting Limited** ('the "Company") on the business and operations of the Company, along with the audited financial statements of accounts for the financial year ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL SUMMARY

The Company's financial performance, for the year ended 31<sup>st</sup> March, 2021 is summarized below:  
(All amounts are in Thousand Indian Rupees)

Particulars	For the Year Ended	
	31 March, 2021	31 March, 2020
Revenue from Operations	19,29,007	17,26,282
Other Income	30,163	17,068
<b>Total Income</b>	<b>19,59,170</b>	17,43,350
<b>Total Expenses</b>	<b>19,31,307</b>	17,17,121
<b>Profit Before Finance Costs and Depreciation &amp; Amortization &amp; Tax</b>	<b>1,51,905</b>	141,092
Finance Costs	39,083	24,346
Depreciation and amortisation expense	84,959	90,517
<b>Profit Before Tax</b>	<b>27,863</b>	26,229
Net Current Tax expenses	30,645	18,480
Prior year tax expenses	-	73
Deferred Taxes	(3,096 )	(11,412)
<b>Net tax expenses</b>	<b>27,549</b>	7,141
Profit /Loss After Tax	314	19,088
<b>Total other comprehensive income/loss</b>	<b>( 1,297)</b>	( 1,159)
<b>Total comprehensive income/loss</b>	<b>(983)</b>	17,929
Earning per share (face value Rs 10 each)		
Basic and diluted earning per share (Rs.)	<b>0.10</b>	6.02

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

The financial year 2020-21 was a challenging year, owing to certain new kind of business challenges, primarily due to the impact of COVID-19 world-wide, including India. Despite challenges, the Company maintained its momentum that led to an increase in its **Revenue from Operations**, which grew from INR 17,26,282,000/- to **INR 19,29,007,000/-**. However, the **Expenses** of the Company were increased to **INR 19,31,307,000/-** from INR 17,17,121,000/-, in the previous year, owing to increase in cost of Raw material and components, Employee Benefit expenses, Finance Costs (including interest on

borrowings) etc. Your Company still managed to have **Profit Before Tax of INR 27,863,000/-, which was higher than of the previous year, i.e. INR 26,229,000/-**. However, post consideration of Net Current Tax expenses, Prior year tax expenses & Deferred Taxes, which increased from INR 7,141,000/- to INR 27,549,000/-, your Company had a **profit after tax of INR 314,000/-, compared to a Profit After Tax of 19,088,000/-, in the previous financial year**. After considering the other comprehensive income/(loss) of INR (1,297,000/-), Total **comprehensive income/(loss) stands at INR (983,000/-)**. The Basic and diluted Earning per share (for equity share having face value of Rs. 10 each) stands at INR 0.10, as on 31<sup>st</sup> March, 2021, compared to INR 6.02, as on 31<sup>st</sup> March, 2020.

Your Company however continues to retain its customers, and at the same time is continuing to build 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., and believes 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.

### 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

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, i.e. 31 March, 2021 and the date of this report.

### 5. DIVIDEND

Your Company had a total comprehensive loss, post tax of INR (983,000/-) during the current financial year. Your Board of Directors have thus considered it prudent to retain its earlier profits into the business, in view of proposed capex and working capital requirements for future growth prospects. Accordingly, your Directors have decided not to recommend any dividend for the year under review.

### 6. TRANSFER TO GENERAL RESERVES

In view of the total comprehensive loss, post tax of INR (983,000/-) during the current financial year, your Company has not transferred any amount(s) to the General Reserves of the Company, during the current financial year.

### 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 forms 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.

### 9. 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 that:

- (a) in the preparation of the annual accounts for the year ended 31st March, 2021, 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, 2021 and of the profit/loss 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.

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

Dr. Nicolas Wiedmann had tendered his resignation w.e.f 31st August 2020 to the Board of Directors of your company from the post of Non-Executive Director. Due to resignation of Dr. Nicolas Wiedmann as Director, Mr. Anil Sultan who was appointed as an alternate director of Dr. Nicolas Wiedmann, ceased to act as alternate director consequently. Your Company places on record the contribution of Dr. Nicolas Wiedmann & Mr. Anil Sultan during their tenures as Director of the Company.

Mr. Ramashankar was re-appointed as Managing Director of the Company, for a period of three years w.e.f. 1st January 2021, by the shareholders/members in their 60<sup>th</sup> AGM held on 25<sup>th</sup> September, 2020.

During the year, Mr. Christoph Sohnchen was appointed as Additional Director of the Company, w.e.f 09<sup>th</sup> January 2021 pursuant to Sec 161 of the Companies Act, 2013. Mr. Christoph Sohnchen is proposed to be appointed by the Board as director of the Company, in the ensuing 61<sup>st</sup> AGM,

Further, the tenure of Mr. Tarun Gulati would expire in the ensuing 61<sup>st</sup> AGM, to be held on 30<sup>th</sup> September, 2021. In view of the same, the Board has recommended to re-appoint Mr. Tarun Gulati for another term of 5 (five) years i.e. from the conclusion of 61<sup>st</sup> AGM till the conclusion of 66<sup>th</sup> AGM, subject to the approval of his appointment and remuneration by the shareholders of the Company in ensuing Annual General Meeting, by way of special resolution.

Further, the tenure of Mr. Avinash Razdan Bindra as Independent Director would complete/end in the forthcoming/ensuing 61<sup>st</sup> Annual General Meeting of the Company. Accordingly, pursuant to the provisions of the Companies Act, 2013, Mr. Avinash Razdan Bindra would vacate office as Independent Director.

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

## **11. 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.

## **12. 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**.

### **13. 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.

### **14. 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.

### **15. 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.

### **16. 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).

### **17. 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.



## **18. APPOINTMENT OF STATUTORY AUDITORS AND AUDITORS' REPORT/EXPLANATIONS AND/OR COMMENTS BY THE BOARD; APPOINTMENT OF COST AUDITORS**

### **A. Appointment of Statutory Auditors**

The 5(five) year term of the present Statutory Auditor, M/s Deloitte Haskins & Sells LLP, Chartered Accountants, shall end at the conclusion of the ensuing 61<sup>st</sup> AGM of the Company. Accordingly, the Audit Committee & the Board of Directors of the Company in their meetings dated 27 August, 2021 respectively, considered the matter and have recommended for the appointment of M/s S.N. Dhawan & CO LLP (Firm Registration no. 000050N/N500045) as the Statutory Auditor of the Company, for a term of 5 (five) consecutive years, from the conclusion of this 61<sup>st</sup> Annual General Meeting (AGM), till the conclusion of the 66<sup>th</sup> AGM of the Company, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), at a remuneration of INR 13,00,000/- (Indian Rupees Thirteen Lacs only), per annum/year (plus applicable taxes/GST) and such reimbursement of out-of- pocket expenses incurred in connection with the statutory audit and on such other terms and conditions (including revision in remuneration), as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditor. Accordingly, the approval of the said appointment and terms & manner of payment of remuneration are being considered for the approval of the members of the Company in the ensuing/forthcoming 61<sup>st</sup> Annual General Meeting (AGM) of the Company.

#### **Statutory Auditors' Report & Board's Comments:**

The INDEPENDENT AUDITOR'S REPORT dated August 27, 2021 (including ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT, i.e. Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013) & ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section) on the Financial Statements of the Company for the year ending 31st March, 2021, as issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditor of the Company are self-explanatory and thus do not require any further comments/remarks by the Board of Directors.

It is also pertinent to note that there are no qualifications, observations or comments on financial transactions or matters (which have any adverse effect on the functioning of the Company) made by the statutory auditor in their Report (including the ANNEXURES, i.e. ANNEXURE "A" & ANNEXURE "B").

### **B. Cost Auditors**

The Company had appointed M/s Mushtaq A. Mir & Co, Cost Accountants in its Board Meeting held on 21<sup>st</sup> July 2020 for the audit of cost records under 'Electricals or electronic machinery and Other machinery and Mechanical Appliances' for financial year 2020-21- 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 2020-21 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.

**19. 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.

**20. 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

**21. 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.*

## **22. 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.

## **23. 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.

## **24. 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.

## **25. 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 it 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 2020-21.

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

## **26. 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

## **27. 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 2021

S. No.	Name of Director	Designation in Nomination & Remuneration Committee
1	Mr. Avinash Razdan Bindra	Member
2	Mr. Tarun Gulati	Member

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

## **28. 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

Sd/-

Sd/-

**Place: Gurugram**  
**Dated: 27<sup>th</sup> August, 2021**

**Rama Shankar Pandey**  
Managing director  
DIN- 02848326

**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

**Registered Office:**  
K-61B, LGF, Kalkaji, New Delhi – 110019.  
**T** (+91) 124 4658600  
**CIN** - U74899DL1959PLC003126  
**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;	<i>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 mentioned in Notes to financial statements for</i>
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;	<i>the year ended 31 March 2021, Note 4.35 - Related party disclosures, forming part of the financial statements for the year ended 31st March, 2021.</i>
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**For and on behalf of Board of Directors**  
HELLA India Lighting Limited

Sd/-

**Rama Shankar Pandey**  
Managing director  
DIN- 02848326

Sd/-

**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

**Place: Gurugram**  
**Dated: 27<sup>th</sup> August, 2021**

**Registered Office:**  
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**CIN** - U74899DL1959PLC003126  
**www.hella.com**

**ANNEXURE II****Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21**

(As prescribed under Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules 2014)

**1. Brief outline on CSR Policy of the Company.**

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.

The Company has adopted the CSR policy which is in compliance with Schedule VII read with Section 135 of the Companies Act, 2013.

**2. Composition of the CSR Committee**

S. No.	Name	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rama Shankar Pandey	Managing Director	3	3
2.	Mr. Avinash Razdan Bindra	Independent Director	3	3
3.	Mr. Tarun Gulati	Independent Director	3	3

**3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.**

[www.hella.co.in](http://www.hella.co.in) → Investors → Corporate Social Responsibility Policy

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule(3) of rule 8 of the Companies (Corporate Social Responsibility Policy), Rules 2014, if applicable (attach the report) : Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule(3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	2019-20	Nil	Nil
2	2019-18	Nil	Nil
3	2017-18	Nil	Nil
	<b>TOTAL</b>		

6. Average net profit of the company as per section 135(5) :5,33,54,808
7. (a) Two per cent of average net profit of the company as per section 135(5): 10,60,000  
 (b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. : Nil  
 (c) Amount required to be set off for the financial year, if any : Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c): 10,60,000
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent( in Rs.)				
	Total Amount Transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
10,60,000	Nil	Nil	Nil	Nil	Nil



**(b) Details of CSR Amount Spent against ongoing projects for the Financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the Project. (In Rs.)	Amount spent in the current Financial Year (in Rs.)	Amount Transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	SUSTAINABLE ROAD SAFETY PROGRAMME	Promoting Education	Yes	Pan India		3 Years	13,00,000	13,00,000	NIL	No	Drive Smart Drive Safe	CSR00005000
2.												
3.												
<b>Total</b>												

**(C ) Details of CSR Amount spent against other than ongoing projects for the financial year: Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area ( Yes/No)	Location of the Project		Amount Spent for the project (in Rs.)	Mode of Implementation – Direct (Yes/ No)	Mode of Implementation – through implementing Agency	
				State	District			Name	CSR Registration Number
1.	Nil								
2.									
3.									
<b>TOTAL</b>									

**(d) Amount spent in Administrative Overheads : NIL****(e) Amount spent on Impact Assessment, if applicable : NIL****(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : NIL**

**(g) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two per cent of average net profit of the company as per section 135(5)	10,60,000
(ii)	Total amount spent for the Financial Year	10,60,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

**9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable**

Sl. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount Spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be sent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
1	Nil						
2							
3							
	<b>TOTAL</b>						

**(b) Details of CSR amount Spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the	Amount Spent on the project in the	Cumulative amount spent at the end of reporting	Status of the project Completed/ Ongoing

					project (in Rs.)	reporting Financial Year (in Rs.)	Financial Year (in Rs.)	
1.								
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of Capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset-wise details) **Not Applicable**

- (a) Date of creation or acquisition of the Capital asset(s). : Nil
- (b) Amount of CSR spent for creation or acquisition of capital asset. : Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Nil
- (d) Provide details of the Capital asset(s) created or acquired (including complete address and location of the capital asset). : Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Sd/-	Sd/-	Sd/-
Rama Shankar Pandey Managing Director	Avinash Razdan Bindra (Chairman CSR Committee)	(Person specified under clause (d) of sub-section (1) of section 380 of the Act)  (wherever applicable)

### 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, 2021.

<b>A. CONSERVATION OF ENERGY</b>	
i) the steps taken or impact on conservation of energy.	<ol style="list-style-type: none"> <li>1) Maintenance of machines play a vital role in energy saving. We undertake preventive maintenance on regularly intervals to make machines &amp; utilities in perfect running condition</li> <li>2) HVAC running on 26 degree instead of 24 for energy saving, "Saved HVAC energy cost by covering the HVAC area to avoid the cooling losses.</li> <li>3) Rapid rolling door is installed at various location in the plant to avoid cooling loss.</li> </ol>
ii) the steps taken by the Company for utilizing alternate sources of energy.	Installation of roof top 302KW solar plant and running in production since Oct-2020. 205980 KWH generated till March'21
iii) the capital investment on energy conservation equipments;	Invested 17 lakh on Air compressor of plant for VFD base air comp. in replace of FIXED speed air compressor to save annually 50000KWH unit.

#### B. TECHNOLOGY ABSORPTION

i) the efforts made towards technology absorption;	<ol style="list-style-type: none"> <li>1) Dehumidifier conveying line length optimized according to HIL requirement</li> <li>2) DMC 400T Machine new latest B&amp;R controller upgrade</li> <li>3) Installed Vibration welding machine for plastic part bonding.</li> <li>4) Taifun cleaning system implemented in Hard coating area in place of manual cleaning.</li> <li>5) Combination of 4 ultrasonic welding machine received from HA plant and dismantling has been done for all 4 machines and start using separately for below product / Project-               <ol style="list-style-type: none"> <li>a) BL102 Ultrasonic-1 No's</li> <li>b) RR Contingency-1 No's</li> <li>c) Rivian Project-2 No's</li> </ol> </li> </ol>
ii) the benefits derived like product improvement, cost reduction, production development, import substitution;	<ol style="list-style-type: none"> <li>1) Enhancement of experience and knowledge of the people to be used in new projects.</li> <li>2) New Rotary Machine installed for production improvement.</li> </ol>

	<p>3) Below Electrical Panel upgrade inhouse for the production improvement</p> <p>a) Tail Lamp EOL Machine Panel</p> <p>b) Eco Work Lamp EOL Machine Panel</p> <p>c) 4 Inch EOL Machine Panel</p> <p>d) BCOS Single &amp; Double pole testing machine Panel.</p>
iii) in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):	<p>1) The Company has imported in the FY 2020/21, 1 Arzuffi Metallizing machine.</p> <p>2) New Motoman robot for gluing application.</p> <p>3) Part handling Wittmann robot for 3K molding machine</p> <p>4) Latest technology robot control panel for ABB Robots.</p>
a. the details of technology imported;	<ul style="list-style-type: none"> <li>• AM/KW 2DA2 1900/1800 IC MF</li> <li>• Wittmann Robot (Primus 16)</li> <li>• Motoman GP-12 Robot.</li> <li>• IRC5 M2004 ABB Robot Control Panel</li> <li>• IRB4400 M99 ABB Robot Control Panel</li> </ul>
b. the year of import;	2020-2021
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>Installation &amp; Commissioning done in FY 20-21 (1.26 Cr. Budget used)</p> <p>1) Thermal shock chamber TS 120</p> <p>2) SST 100 Ltr setup</p> <p>3) IPX test setup</p> <p>4) resistance to reagent test</p> <p>5) power supply 375 A</p> <p>6) load bank 300 A</p> <p>7) 2 Nos Environmental Chamber</p>

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

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Earnings	4,99,228	2,96,867
Outgo	75,342	74,293

## **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 improvise 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. Your Company is required to appoint Independent Directors. As on date of this report, the Board consists of four Directors. The Board of your Company comprises of 1 Managing Director, 1 Non-Executive Professional Director and 2 Independent Directors. 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 2020-21 viz on 26.05.2020, 21.07.2020, 18.12.2020 and 12.03.2021. 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 2020-21	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	4	4
Dr. Nicolas Wiedmann <sup>1</sup>	Non-Executive Director	2	2
Mr. Avinash Razdan Bindra	Independent Director	4	4
Mr. Tarun Gulati	Independent Director	4	4
Mr. Christoph Sohnchen <sup>2</sup>	Non-Executive Director	1	1

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.

<sup>1</sup> Dr. Nicolas Wiedmann had resigned from the Board w.e.f 31.08.2020

<sup>2</sup> Mr. Christoph Soehnchen had appointed w.e.f 09.01.2021



Currently the Board has Five Committees, which are enumerated as below:-

a) Audit Committee

The Audit Committee met four times in financial year 2020-21 viz on 26.05.2020, 21.07.2020, 18.12.2020 and 12.03.2021. The names and categories of the members on the Committee, their attendance at Audit Meetings held during the year are as under:

Name	Category	Number of Meetings held during the year 2020-21	
		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

There was no Stakeholder Relationship Committee Meetings held during the Financial Year 2020-21.

Name	Category	Number of Meetings held during the year 2020-21	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	0	0
Mr. Avinash Razdan Bindra	Independent Director	0	0
Mr. Tarun Gulati	Independent Director	0	0

c) Share Transfer Committee

There were no Share Transfer Committee Meetings held during the Financial Year 2020-21.

Name	Category	Number of Meetings held during the year 2020-21	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	0	0
Mr. Avinash Razdan Bindra	Independent Director	0	0
Mr. Tarun Gulati	Independent Director	0	0

## d) Nomination and Remuneration Committee

The Nomination and Remuneration Committee met two times in financial year 2020-21 viz on 21.07.2020 and 18.12.2020. 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 2020-21	
		Held	Attended
Dr. Nicolas Wiedmann <sup>3</sup>	Executive Director	1	0
Mr. Avinash Razdan Bindra	Independent Director	2	1
Mr. Tarun Gulati	Independent Director	2	1

## e) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee met three times in financial year 2020-21 viz on 21.07.2020, 18.12.2020 and 12.03.2021. 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 2020-21	
		Held	Attended
Mr. Rama Shankar Pandey	Executive Director	3	3
Mr. Avinash Razdan Bindra	Independent Director	3	3
Mr. Tarun Gulati	Independent Director	3	3

The quorum for meetings of these Committee(s) is either two members or one-third of the members of the committee, whichever is higher.

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

Previous three Annual General Meetings held:

Financial Year	Date	Time	Venue
2019-20	25.09.2020	12:30 pm	Video Conferencing through Insta Meet

<sup>3</sup> Dr. Nicolas Wiedmann had resigned from the Board w.e.f 31.08.2020

2018-19	30.09.2019	9:30 a.m	The Muse Sarovar Portico, New Delhi – 100037
2017-18	24.08.2018	9:30 a.m.	Tivoli Garden Resort Hotel, Chhattarpur Hills, Chattarpur, New Delhi-110 074

## ii. Extraordinary General Meeting

Previous three Extraordinary General Meeting held:

There was no Extraordinary General Meeting held during the past three years.

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

Sd/-

Sd/-

**Place: Gurugram**  
**Dated: 27<sup>th</sup> August, 2021**

**Rama Shankar Pandey**  
Managing director  
DIN- 02848326

**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

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

## ANNEXURE IV

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

as on the financial year ended on March 31<sup>st</sup>, 2021  
[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: jyoti.singh@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	15%
2.	Lamps	3748	65%

\* 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)
2.	Hella India Automotive Private Limited	K-61B, LGF, Kalkaji, New Delhi - 110019	U74899DL1980PTC011074	Associate	31.58	2(6)

## 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	1,001,490	0	1,001,490	31.58	1001687	0	1001687	31.59	0.01
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB - TOTAL (A) (1)</b>	<b>1,001,490</b>	<b>0</b>	<b>1,001,490</b>	<b>31.58</b>	<b>1001687</b>	<b>0</b>	<b>1001687</b>	<b>31.59</b>	<b>0.01</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>2,618,890</b>	<b>0</b>	<b>2,618,890</b>	<b>82.58</b>	<b>2,619,087</b>	<b>0</b>	<b>2,619,087</b>	<b>82.59</b>	<b>0.01</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

<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	18100	20,780	38,880	1.23	10129	20980	31109	0.98	-0.25
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. 1 lakh	168844	197179	366023	11.54	181018	196579	377597	11.91	0.37
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	88368	11120	99,488	3.13	83368	11120	94488	2.98	-0.16
<b>c) Others specify</b>									
i) NRIs	35,322	4,160	39,482	1.25	35,322	4,160	39,482	1.25	0.00
ii) Clearing Members	0	0	0	0	0	0	0	0	0
iii) Hindu Undivided Families	8537	0	8537	0.27	9537	0	9537	0.30	0.04
<b>SUB - TOTAL (B) (2)</b>	<b>319171</b>	<b>233239</b>	<b>552,410</b>	<b>17.42</b>	<b>319374</b>	<b>232839</b>	<b>552,213</b>	<b>17.42</b>	<b>0.00</b>
<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)</b>	<b>319,271</b>	<b>233239</b>	<b>552510</b>	<b>17.42</b>	<b>319474</b>	<b>232839</b>	<b>552,313</b>	<b>17.42</b>	<b>0.00</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS&amp; ADRS</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>GRANDTOTAL (A+B+C)</b>	<b>2938161</b>	<b>233239</b>	<b>3171400</b>	<b>100</b>	<b>2938561</b>	<b>232839</b>	<b>3171400</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 31-03-2020)			Shareholding at the end of the year (As on 31-03-2021)			
		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	1001687	31.59		1001687	31.59	0.00	0.00
2.	Hella Holding International, GmbH	1617400	51.00	0	1617400	51.00	0.00	0.00
	<b>Total</b>	<b>2,619,087</b>	<b>82.59</b>	<b>0</b>	<b>2,619,087</b>	<b>82.59</b>	<b>0</b>	<b>0.00</b>

## ATTACHMENT E

## iii) Change in Promoters' Shareholding

Shareholder Name	Shareholding at the beginning of the year (As on 01-04-2020)		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	<b>2,619,087</b>	<b>82.59</b>	<b>2,619,087</b>	<b>82.59</b>



## 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 01.04.2020		Shareholding during the year (01-04-2020 to 31-03-2021)			Cumulative Shareholding during the year (01-04-20 to 31-03-21)	
	No. of Shares	% of total Shares of the company	Date	Increase/Decrease In Shareh	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
Ashok J Thawani	23611	0.7445	-	-	-	23611	0.7445
Dgl Pvt Ltd	13680	0.4314	-	-	-	13680	0.4314
Megha Anil Udar	18139	0.5720	31-December-	-5000	Transfer	13139	0.4143
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

-

*Figures to be finalized*

	<i>Amount in thousand INR</i>			
	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2020)</b>				
i) Principal Amount		25,00,00,000		25,00,00,000
ii) <b>Principal amount of CC Limit</b>				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>TOTAL (i+ii+iii)</b>				25,00,00,000
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year (31.03.2021)</b>				
i) Principal Amount		25,00,00,000		25,00,00,000
ii) Principal amount of CC limit				
ii) Interest due but not paid -				
iii) Interest accrued but not due				
<b>TOTAL (i+ii+iii)</b>				25,00,00,000

## 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>4</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>12451358</b>	<b>12451358</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)	<b>12451358</b>	<b>12451358</b>
	No Ceiling as per the Act, the Company being Private Limited	NA	NA

<sup>4</sup> The above figure doesn't include the contribution to Provident Fund amounting to Rs. 646440

**ATTACHMENT J****B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Mr. Avinash Razdan Bindra	Mr. Tarun Gulati	(Amt. in Rs.) Total Amount
<b>1.</b>				
	Fee for attending board / committee meetings	77,000	77,000	<b>1,54,000</b>
	Commission	0	0	0
	Others, please specify	0	0	0
	<b>TOTAL (1)</b>			
	Fee for attending board / committee meetings	0	0	<b>0</b>
	Commission	0	0	<b>0</b>
	Others, please specify	0	0	<b>0</b>
	<b>TOTAL (2)</b>	0	0	<b>0</b>
	<b>TOTAL (B)=(1+2)</b>			
	<b>TOTAL MANAGERIAL REMUNERATION*</b>	<b>77,000</b>	<b>77,000</b>	<b>1,54,000</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.)

S No.	Particulars of Remuneration	Name of the KMP		Total Amount
		Mr. Narender Jain <sup>5</sup> (CFO)	Ms. Aakritee Khanna (Company Secretary) <sup>6</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>3543882</b>	<b>655038</b>	4198920
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>3543882</b>	<b>655038</b>	4198920
	Ceiling as per the Act	NA	NA	NA

<sup>5</sup> The above figure doesn't include the contribution to Provident Fund amounting to Rs. 151626

<sup>6</sup> The above figure doesn't include the contribution to Provident Fund amounting to Rs. 41811

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

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

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

**Place: Gurugram**  
**Dated: 27<sup>th</sup> August, 2021**

Sd/-  
**Rama Shankar Pandey**  
Managing director  
DIN- 02848326

Sd/-  
**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

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

## **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 31 March 2021, 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 31 March 2021, and its profit total comprehensive income (loss) , 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 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 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 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 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 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 no. 4.31 to the financial statement.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; Refer note no. 4.29 to the financial statement.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer note no. 4.30 to the financial statement.
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)

Sd/-

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
(UDIN: 21105546xxxxxxxxxx)

Place: New Delhi  
Date: August 27, 2021

## **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, 2021 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, 2021, 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 & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Sd/-

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
(UDIN: 21105546xxxxxxxxxx)

Place: New Delhi  
Date: August 27, 2021

**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. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. 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 provided 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:
  - (vii) (a) The Company has 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 to the appropriate authorities.

(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, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Goods and Service Tax, Customs Duty, Excise Duty, which have not been deposited as on March 31, 2021 (*specify year end date*) on account of disputes are given below:

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

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

<sup>2</sup>Net of Rs. 12,500 thousand paid under protest.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (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 according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (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 etc. 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 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-I of the Reserve Bank of India Act, 1934.

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

Sd/-

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
(UDIN: 21105546xxxxxxxxxx)

Place: New Delhi  
Date: August 27, 2021

**HELLA INDIA LIGHTING LIMITED**
**BALANCE SHEET AS AT 31 March 2021**

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

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
a) Property, Plant and Equipment	4.01 (a)	4,63,978	4,25,082
b) Capital work in progress	4.01 (b)	74,261	1,88,691
c) Other intangible assets	4.02 (a)	2,533	915
d) Right of use assets	4.02 (b)	9,138	19,617
e) Financial assets			
(i) Investments	4.03	20	20
(ii) Other financial assets	4.04	5,457	8,697
(f) Deferred tax assets (net)	4.05	16,326	12,731
(g) Other tax assets	4.06	19,949	23,032
(h) Other non-current assets	4.07	42,231	12,023
<b>Total non-current assets</b>		6,33,893	6,90,808
<b>Current assets</b>			
a) Inventories	4.08	3,08,762	2,25,618
b) Financial assets			
(i) Trade receivables	4.09	3,96,051	2,96,080
(ii) Cash and bank balance	4.10	39,672	76,041
(iii) Other financial assets	4.11	4,180	336
c) Other current assets	4.12	1,57,560	1,21,234
<b>Total current assets</b>		9,06,225	7,19,309
<b>Total Assets</b>		<b>15,40,118</b>	<b>14,10,117</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	4.13	31,714	31,714
b) Other Equity		4,41,573	4,42,556
<b>Total Equity</b>		4,73,287	4,74,270
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	4.14	2,38,976	2,96,144
(ii) Lease liabilities	4.36	4,895	11,000
b) Provisions	4.15	44,334	39,416
c) Other non-current liabilities	4.16	6,224	5,215
<b>Total non current liabilities</b>		2,94,429	3,51,775
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	4.17	-	1,05,457
(ii) Lease liabilities	4.36	6,104	10,676
(iii) Trade payables	4.18		
(i) Total outstanding dues of micro and small enterprises		98,442	76,526
(ii) Total outstanding dues of other than micro and small enterprises		5,05,976	3,19,032
(iv) Other financial liabilities	4.19	83,047	20,450
b) Provisions	4.20	36,997	39,318
c) Other current liabilities	4.21	41,836	12,613
<b>Total current liabilities</b>		7,72,402	5,84,072
<b>Total Equity and Liabilities</b>		<b>15,40,118</b>	<b>14,10,117</b>

See accompanying notes forming part of the financial statements

1 to 4.45

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
 Chartered Accountants

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

 sd/-  
**Rajesh Kumar Agarwal**  
 Partner

 sd/-  
**Rama Shankar Pandey**  
 Managing Director  
 DIN : 02848326

 sd/-  
**Christoph Boris Sohnchen**  
 Additional Director  
 DIN- 09021769

 Place: New Delhi  
 Date: August 27, 2021

 Place: Gurugram  
 Date: August 27, 2021

 sd/-  
**Amit Bhardwaj**  
 Chief Financial Officer  
 ACA-407431



**HELLA INDIA LIGHTING LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2021**  
(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Revenue from operations</b>			
Revenue from operations	4.22	19,29,007	17,26,282
Other income	4.23	30,163	17,068
<b>Total income</b>		<b>19,59,170</b>	<b>17,43,350</b>
<b>Expenses</b>			
Cost of materials consumed	4.24	10,33,878	9,56,605
Purchase of stock-in-trade (traded goods)		1,02,829	68,732
Changes in inventories of finished goods, work-in-progress and traded goods	4.25	(11,767)	(5,184)
Employee benefit expenses	4.26	2,46,740	2,20,369
Finance cost	4.27	39,083	24,346
Depreciation and amortisation expense	4.01	84,959	90,517
Impairment Loss	4.01	66,401	17,784
Other expenses	4.28	3,69,184	3,43,952
<b>Total expenses</b>		<b>19,31,307</b>	<b>17,17,121</b>
<b>Profit before tax</b>		<b>27,863</b>	<b>26,229</b>
<b>Tax expense/ (benefit)</b>			
(a) Current tax expense		30,645	18,480
(b) Prior year tax expenses		-	73
(c) Net current tax expense		30,645	18,553
(d) Deferred tax (credit)/charge		(3,096)	(11,412)
Net tax expenses		<b>27,549</b>	<b>7,141</b>
<b>Profit/Loss for the year</b>		<b>314</b>	<b>19,088</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		(1,797)	(1,606)
(b) Income tax relating to items that will not be reclassified to profit or loss		500	447
<b>Total other comprehensive income/loss</b>		<b>(1,297)</b>	<b>(1,159)</b>
<b>Total comprehensive income/loss</b>		<b>(983)</b>	<b>17,929</b>
Earning per share (face value Rs 10 each)			
-Basic and diluted earning per share (Rs.)	4.37	<b>0.10</b>	<b>6.02</b>

See accompanying notes forming part of the financial statements

1 to 4.45

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

sd/-

**Rajesh Kumar Agarwal**  
Partner

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

sd/-

**Rama Shankar Pandey**  
Managing Director  
DIN : 02848326

sd/-

**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

sd/-

**Aakritee Khanna**  
Company Secretary  
ACS : 48297

sd/-

**Amit Bhardwaj**  
Chief Financial Officer  
ACA-407431

Place: New Delhi  
Date: August 27, 2021

Place: Gurugram  
Date: August 27, 2021

HELLA INDIA LIGHTING LIMITED  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2021**  
(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
<b>A. CASH FROM OPERATING ACTIVITIES :</b>			
<b>Profit before tax</b>		<b>27,863</b>	<b>26,229</b>
<b>Adjustments for:</b>			
Depreciation and amortisation expenses		84,959	90,517
Impairment Loss		66,401	17,784
Liabilities and provisions no longer required written back		(116)	(625)
Interest expense		37,564	24,346
Interest income (on fixed deposits)		(1,840)	(349)
Net unrealised foreign exchange gain		1,062	252
Profit on sale of fixed assets		(260)	(316)
Other comprehensive income		(1,797)	(1,606)
Provision for doubtful debts		230	1,295
Provision for doubtful advances		-	21
Interests on lease liability		1,519	(10,439)
Fixed assets written-off		-	1,863
Advances written-off		-	566
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>2,17,382</b>	<b>1,51,144</b>
<b>Changes in Working Capital :</b>			
<b>Adjustments for (increase) / decrease in operating assets:</b>			
Decrease/(Increase) in inventories		(83,144)	(21,981)
Decrease/(Increase) in trade receivables		(1,01,354)	51,209
Decrease/(Increase) in other current assets		(36,542)	(31,090)
Decrease/(Increase) in other non-current assets		3,301	(724)
Decrease/(Increase) in Other non-current assets		(74)	912
Decrease/(Increase) in Other current assets		(3,844)	(219)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>			
Increase/(decrease) in non-current provisions		3,121	5,088
Increase/(decrease) in trade payables		2,07,685	(14,331)
Increase/(decrease) in current provisions		(2,321)	(1,173)
Increase/(decrease) in other current liabilities		30,231	(12,353)
<b>CASH GENERATED IN OPERATIONS</b>		<b>2,34,441</b>	<b>1,26,482</b>
Net income tax paid		(27,562)	(43,085)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>2,06,879</b>	<b>83,397</b>
<b>B. CASH FROM INVESTING ACTIVITIES</b>			
Capital expenditure on fixed assets, including capital advances		(97,679)	(1,90,606)
Proceeds from sale of fixed assets		1,084	316
Interest income (on fixed deposits)		1,835	129
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(94,760)</b>	<b>(1,90,161)</b>
<b>C. CASH FROM FINANCING ACTIVITIES</b>			
Repayment of long term borrowings		-	(20,856)
Proceeds from short term borrowings		(1,05,457)	(31,975)
Payment of lease rental		(12,195)	-
Interest paid		(30,838)	(11,162)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>		<b>(1,48,490)</b>	<b>(63,993)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>		<b>(36,369)</b>	<b>(1,70,757)</b>
Cash and cash equivalents at the beginning of the year		<b>76,041</b>	<b>2,46,798</b>
Cash and cash equivalents at the end of the year (Refer note 4.10)		<b>39,672</b>	<b>76,041</b>
<b>Cash and cash equivalents comprises :</b>			
Cash and cash equivalents			
(a) Cash in hand		-	14
(b) Balances with banks			
(i) In current accounts		34,499	28,965
(ii) In EEFC accounts		5,173	17,062
(iii) In short term fixed deposits		-	30,000
		<b>39,672</b>	<b>76,041</b>

**Note :**

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

1 to 4.45

In terms of our report attached

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

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

sd/-  
**Rajesh Kumar Agarwal**  
Partner

sd/-  
**Rama Shankar Pandey**  
Managing Director  
DIN : 02848326

sd/-  
**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

sd/-  
**Aakritee Khanna**  
Company Secretary  
ACS : 48297

sd/-  
**Amit Bhardwaj**  
Chief Financial Officer  
ACA-407431

Place: New Delhi  
Date: August 27, 2021

Place: Gurugram  
Date: August 27, 2021

HELLA INDIA LIGHTING LIMITED  
STATEMENT OF CHANGE IN EQUITY AS AT 31 March 2021  
(All amounts are in Thousand Indian Rupees except number of shares)

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

	No. of shares	Amount
Balance at 1 April 2020	31,71,400	31,714
Changes in equity share capital during the year		
Balance at 31 March 2021	31,71,400	31,714

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, 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/loss for the year, net of income tax	-	-	-	(1,159)	-	-	-	(1,159)
Balance at 01 April, 2020	1,756	2,95,249	2,495	(2,061)	100	43,236	1,01,780	4,42,556
Profit for the year	-	-	-	-	-	314	-	314
Other comprehensive income/loss for the year, net of income tax	-	-	-	(1,297)	-	-	-	(1,297)
Balance at 31 March 2021	1,756	2,95,249	2,495	(3,358)	100	43,550	1,01,780	4,41,573

In terms of our report attached

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

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

sd/-

Rajesh Kumar Agarwal  
Partner

sd/-

Rama Shankar Pandey  
Managing Director  
DIN : 02848326

sd/-

Christoph Boris Sohnenchen  
Additional Director  
DIN- 09021769

sd/-

Aakritee Khanna  
Company Secretary  
ACS : 48297

sd/-

Amit Bhardwaj  
Chief Financial Officer

Place: New Delhi  
Date: August 27, 2021

Place: Gurugram  
Date: August 27, 2021

**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 2021****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 2021 were authorized and approved by the audit committee on 27 August 2021.

**(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 2021****(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

**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 2021**

- Technical and commercial obsolescence
  - Understand past practices and general industry experience
- 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:

<b>Assets</b>	<b>Useful lives</b>
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

**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 2021**

economic benefits of assets. Accordingly, at present software's is being amortized on straight line basis over the useful life of 3 years.

*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 2021****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).



**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 2021****(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.

**(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 recognized 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 2021****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 2021****(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

**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 2021**

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 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 2021****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 2021  
(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 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>
<b>Year ended 31 March 2021</b>								
<b>Gross carrying amount</b>								
Balance as at 1 April 2020	118	1,77,239	4,20,049	13,753	5,477	15,936	10,266	6,42,838
Additions	-	-	1,08,982	309	-	549	3,258	1,13,098
Disposals	-	-	1,013	-	-	-	-	1,013
<b>Closing gross carrying amount as at 31 March 2021</b>	<b>118</b>	<b>1,77,239</b>	<b>5,28,018</b>	<b>14,062</b>	<b>5,477</b>	<b>16,485</b>	<b>13,524</b>	<b>7,54,923</b>
<b>Accumulated depreciation</b>								
Balance as at 1 April 2020	-	5,600	1,90,350	2,934	2,117	9,405	7,350	2,17,757
Depreciation charged during the year	-	6,233	59,951	1,726	1,142	2,193	2,131	73,377
Disposals	-	-	189	-	-	-	-	189
<b>Closing accumulated depreciation as at 31 March 2021</b>	<b>-</b>	<b>11,833</b>	<b>2,50,112</b>	<b>4,660</b>	<b>3,259</b>	<b>11,598</b>	<b>9,481</b>	<b>2,90,945</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>118</b>	<b>1,65,406</b>	<b>2,77,906</b>	<b>9,402</b>	<b>2,218</b>	<b>4,887</b>	<b>4,043</b>	<b>4,63,978</b>

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

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

	31 March 2021	31 March 2020
Opening balance	1,88,691	1,94,346
Add : Additions during the year	47,089	88,861
Add : Borrowing cost capitalised during the year	-	17,043
Less: Assets capitalised during the year	1,06,567	1,11,559
Less: Assets Impaired	54,952	-
<b>Closing balance</b>	<b>74,261</b>	<b>1,88,691</b>

**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2021  
(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 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>
<b>Year ended 31 March 2021</b>		
<b>Gross carrying amount</b>		
Balance as at 1 April 2020	3,081	3,081
Additions	2,713	2,713
Disposals	-	-
<b>Closing gross carrying amount as at 31 March 2021</b>	<b>5,794</b>	<b>5,794</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2020	2,166	2,166
Depreciation expense charged during the year	1,095	1,095
Impairment Loss	-	-
Disposals	-	-
<b>Closing accumulated depreciation as at 31 March 2021</b>	<b>3,261</b>	<b>3,261</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>2,533</b>	<b>2,533</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
Impairment Loss	-	-
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>
<b>Gross carrying amount</b>		
Balance as at 1 April 2020	30,144	30,144
Additions	-	-
Disposals	-	-
<b>Closing gross carrying amount as at 31 March 2021</b>	<b>30,144</b>	<b>30,144</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2020	10,527	10,527
Depreciation expense charged during the year	10,478	10,478
Impairment Loss	-	-
Disposals	-	-
<b>Closing accumulated depreciation as at 31 March 2021</b>	<b>21,005</b>	<b>21,005</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>9,138</b>	<b>9,138</b>

**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2021**

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

Particulars	As at 31 March 2021	As at 31 March 2020
<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 #	110	110
	-	-
Drive Smart Drive Safe	20	20
2,000 (previous year 2,000) equity shares of face value Rs. 10 each, fully paid up		
	20	20
Aggregate amount of unquoted investments	130	130
Less: Aggregate amount of provision for other than temporary diminution in value of investment	110	110
	<b>20</b>	<b>20</b>

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 2021**  
(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>4.04 Other financial assets</b>		
(Unsecured, considered good unless stated otherwise)		
Security deposits	4,192	7,493
Balance with banks - held as security against margin money given to Government authorities #	1,265	1,203
	<u>5,457</u>	<u>8,696</u>
For valuation basis, refer note no. 4.45		
# Margin Money Deposit primarily related to earmarked balances with the bank against the bank guarantees issued in the favour of relevant authorities		
<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	7,960	6,912
Provision for interest on preference shares	17,495	18,979
	<u>25,455</u>	<u>25,891</u>
<b>Deferred tax assets arising on account of:</b>		
Provision for gratuity	8,099	7,093
Provision for leave encashment	5,358	4,919
Impact of leasing (Ind AS 116)	518	573
Provision for doubtful receivables	978	915
Provision for doubtful advances	41	41
Provision for bonus	4,749	4,116
Provision for slow moving inventory	11,141	9,345
Provision for price reduction	1,728	1,728
Provision for warranty	9,169	9,588
Provision for export obligation – EPCG License	-	304
	<u>41,781</u>	<u>38,622</u>
	<u>16,326</u>	<u>12,731</u>
<b>Deferred tax asset/(liability) (net)</b>	<u><b>16,326</b></u>	<u><b>12,731</b></u>
	<b>As at</b>	<b>As at</b>
	<b>31 March 2021</b>	<b>31 March 2020</b>
<b>(b) Reconciliation of tax expenses and accounting profit</b>		
Profit before tax from continuing operation	27,863	26,229
Income tax expenses calculated at current tax rate	7,751	7,297
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
(iii) Others	(0)	(540)
Add : Effect of expenses/income that are not deductible/includible in determining taxable profit.		
(i) Corporate Social Responsibility Expenditure	147	218
(ii) Assets written off	-	518
(iv) Interest on delay in MSMED vendors payment	444	999
(v) Others	-	83
	<u>-</u>	<u>-</u>
<b>Income tax expenses recognised in statement of profit &amp; loss (relating to continuing operation)</b>	<u><b>8,342</b></u>	<u><b>7,141</b></u>

**HELLA INDIA LIGHTING LIMITED**  
**Notes to financial statements for the year ended 31 March 2021**  
(All amounts are in Thousand Indian Rupees except number of shares)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>4.06 Other tax assets</b>		
Income taxes (net of provision for tax Rs. 30,645 (previous year Rs. 18,553))	7,449	10,532
Income-tax (paid under protest)	12,500	12,500
	<u>19,949</u>	<u>23,032</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	-	-
Capital advances	41,968	11,772
Balance with Government authorities (paid under protest) - VAT credit receivable	146	241
Prepaid expenses	117	10
	<u>42,231</u>	<u>12,023</u>
For valuation basis, refer note no. 4.45		
<b>4.08 Inventories</b>		
<b>(Valued at the lower of cost and net realisable value)</b>		
Raw materials and components [includes goods in transit Rs. 30,454 (previous year Rs. 9,846)]	2,03,573	1,43,056
Work in progress	7,093	6,419
Finished goods (other than those acquired for trading) [includes goods in transit Rs. 16,152 (previous year Rs. 7,052)]	65,688	56,960
Traded goods (acquired for trading)	16,556	14,191
Tools and dies	9,310	981
Stores and spares	6,542	4,011
	<u>3,08,762</u>	<u>2,25,618</u>
For valuation basis, refer note no. 4.45		
<b>4.09 Trade receivables</b>		
<b>(unsecured, considered good unless otherwise stated)</b>		
Trade receivables outstanding for a period exceeding six months		
Considered good	-	-
Doubtful	3,517	3,288
Less: Provision for doubtful trade receivables	<u>3,517</u>	<u>3,288</u>
Other trade receivables		
Considered good	3,96,051	2,96,080
	<u><b>3,96,051</b></u>	<u><b>2,96,080</b></u>
Trade receivables includes Rs. 123,536 (previous year Rs. 100,537) due from related parties (refer note 4.35).		
For valuation basis, refer note no. 4.45		



**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2021**

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

Particulars	As at 31 March 2021		As at 31 March 2020	
<b>4.10 Cash and cash equivalents</b>				
Cash and cash equivalents				
Cheques on hand		-		14
Balances with banks				
In current accounts		34,499		28,965
In EEFC accounts		5,173		17,062
In short term fixed deposits		-		30,000
		<b>39,672</b>		<b>76,041</b>
For valuation basis, refer note no. 4.45				
<b>4.11 Other financial assets- current (unsecured and considered good unless otherwise stated)</b>				
Security deposits		4,180		336
		4,180		336
For valuation basis, refer note no. 4.45				
<b>4.12 Other current assets (unsecured, considered good unless otherwise stated)</b>				
Advance to suppliers				
Considered good	29,460	29,460	10,543	10,543
Doubtful	147		147	
Less: Provision for doubtful advances	147	-	147	-
Balances with Government authorities				
Considered good				
- Cenvat credit receivable	-		-	
- Goods and service tax receivable	76,295		73,557	
- VAT credit receivable	223		223	
- Export incentives receivables	4,021		4,552	
- Goods and service tax receivable on export sales	41,218		21,305	
- Advance custom duty	3,349	1,25,106	5,543	1,05,180
Prepaid expenses		1,662		2,417
Loans and advances to employees		1,327		2,874
Other advances		5		220
		<b>1,57,560</b>		<b>1,21,234</b>
For valuation basis, refer note no. 4.45				

Particulars	As at 31 March 2021	As at 31 March 2020
<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 2021		As at 31 March 2020	
	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 2021		As at 31 March 2020	
	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	10,01,490	10,015
<b>Total</b>	<b>26,18,890</b>	<b>26,189</b>	<b>26,18,890</b>	<b>26,189</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 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
<b>Equity shares</b>				
	16,17,400	51.00	16,17,400	51.00
Hella Holding International GmbH, Germany, the holding company				
Hella India Automotive Private Limited	10,01,490	31.58	10,01,490	31.58

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 2021**

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

Particulars	As at		As at	
	31 March 2021		31 March 2020	
<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) #		51,476		46,144
Term loan from related party (unsecured) ##	2,50,000		2,50,000	
Less : Current maturities of term loan from related party (refer to note number 4.19 )	<u>(62,500)</u>	1,87,500	<u>-</u>	2,50,000
		<u><b>2,38,976</b></u>		<u><b>2,96,144</b></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. 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.

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

**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2021**

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

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>4.15 Provisions</b>		
Provisions for employee benefits		
- Gratuity (refer to note 4.32)	26,317	22,881
- Compensated absences	18,017	16,535
	<u>44,334</u>	<u>39,416</u>
<b>4.16 Other non-current liabilities</b>		
Others	571	571
Security deposit received	5,653	4,644
	<u>6,224</u>	<u>5,215</u>
For valuation basis, refer note no. 4.45		
<b>4.17 Borrowings</b>		
Loans repayable on demand		
- Cash credit facility from bank (Unsecured)	-	1,05,457
	<u>-</u>	<u>1,05,457</u>
For valuation basis, refer note no. 4.45		

**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2021**

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

Particulars	As at 31 March 2021	As at 31 March 2020
<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)	98,442	76,526
- total outstanding dues of other than micro and small enterprises	5,05,976	3,19,032
	<b>6,04,418</b>	<b>3,95,558</b>
Trade payable includes Rs. 1,16,942 (previous year Rs. 79,738) due to related parties (refer note 4.35).		
<b>4.19 Other financial liabilities</b>		
Current maturities of long term loan from related party	62,500	-
Interest accrued on borrowings	11,063	11,264
Payable for purchase of fixed assets	9,484	9,186
	<b>83,047</b>	<b>20,450</b>
For valuation basis, refer note no. 4.45		
<b>4.20 Provisions</b>		
Provision for employee benefits		
- Gratuity (refer to note 4.32)	2,796	2,614
- Compensated absences	1,243	1,145
Other provisions		
- Provision for export obligations under EPCG License (refer note 4.41)	-	1,094
- Provision for warranty (refer note 4.41)	32,958	34,465
	<b>36,997</b>	<b>39,318</b>
For valuation basis, refer note no. 4.45		
<b>4.21 Other current liabilities</b>		
Statutory remittances	8,369	6,838
Goods and service tax payables	3,587	1,579
Advance from customers	29,880	4,196
	<b>41,836</b>	<b>12,613</b>
For valuation basis, refer note no. 4.45		

**HELLA INDIA LIGHTING LIMITED**
**Notes to financial statements for the year ended 31 March 2021**

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>4.22 Revenue from operations</b>		
(a) Sale of products (refer note (i) below)	17,55,904	16,55,820
(b) Other operating revenues (refer note (ii) below)	1,73,103	70,462
	<b>19,29,007</b>	<b>17,26,282</b>
<b>(i) Sale of products comprises:</b>		
Manufactured finished goods	16,08,509	15,60,690
Traded goods	1,47,395	95,130
	17,55,904	16,55,820
<b>(ii) Other operating revenues comprises:</b>		
Scrap sales	3,184	4,571
Development income	1,61,164	52,164
Export benefits*	8,755	13,727
	1,73,103	70,462
 *Export benefits are in the nature of government grants covering following :		
Merchandise Exports from India Scheme (MEIS & SEIS)	4,714	9,220
Duty draw backs	4,041	4,507
	8,755	13,727
<b>4.23 Other income</b>		
Interest income		
- on fixed deposits with banks	768	260
- other interest	1,072	89
Net gain on foreign currency transactions	16,795	11,023
Profit on sale of fixed assets	260	316
Liabilities and provisions no longer required written back	116	625
Miscellaneous income	11,152	4,755
	<b>30,163</b>	<b>17,068</b>
<b>4.24 Cost of material consumed</b>		
Raw material and components		
Opening stock	1,43,056	1,16,839
Add: Purchases	10,94,395	9,82,822
Less: Closing stock	2,03,573	1,43,056
	<b>10,33,878</b>	<b>9,56,605</b>
<b>4.25 Changes in inventories of finished goods, work-in-progress and traded goods</b>		
Inventories at the beginning of the year		
Traded goods	14,191	14,840
Finished goods	56,960	50,936
Work in progress	6,419	6,610
	77,570	72,386
Less: Inventories at the end of the year		
Traded goods	16,556	14,191
Finished goods	65,688	56,960
Work in progress	7,093	6,419
	89,337	77,570
	<b>(11,767)</b>	<b>(5,184)</b>

**HELLA INDIA LIGHTING LIMITED****Notes to financial statements for the year ended 31 March 2021**

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>4.26 Employee benefits expenses</b>		
Salaries and wages	2,21,999	1,92,704
Contribution to provident funds (Refer to note 4.32)	14,097	11,915
Gratuity expense (Refer to note 4.32)	6,006	4,954
Staff welfare expenses	4,638	10,796
	<b>2,46,740</b>	<b>2,20,369</b>
<b>4.27 Finance cost</b>		
Interest on borrowings from related party (Refer to note 4.35)	25,169	2,022
Interest on cash credit limit	5,468	11,984
Interest on lease liability	1,519	1,971
Interest on amortized cost of preference shares	5,332	4,779
Others	1,595	3,590
	<b>39,083</b>	<b>24,346</b>
<b>4.28 Other expenses</b>		
Consumption of stores and spares	42,995	46,925
Power and fuel	17,756	17,965
Travelling and conveyance	4,966	19,230
Freight outward	51,293	45,964
Contractual manpower	55,453	53,097
Legal and professional	24,872	31,757
Payment to auditors		
- Statutory audit fees	1,400	1,400
- Tax audit fees	100	100
- Out of pocket expenses	-	-
Rent (Refer to note 4.36)	2,097	4,883
Rates and taxes	2,864	2,453
Insurance	8,577	8,468
Repairs and maintenance:		
- on buildings	32	27
- on plant and machinery	5,108	3,002
- on others (including IT expenses Rs. 52,319)		
Previous year Rs. 43,438)	56,675	48,634
Vehicle running and maintenance	2,593	3,753
Printing and stationery	491	781
Communication	3,084	2,676
Bank charges	687	867
Provision for doubtful receivables	230	1,295
Provision for doubtful advances	-	21
Advances written off	-	566
Expenditure on corporate social responsibility (Refer to note 4.42)	1,060	1,570
Loss of fixed assets written off	-	1,863
Royalty	16,971	22,480
Development Expenses	50,970	-
Advertisement and sales promotion	12,665	14,863
Warranty	1,032	4,773
Miscellaneous	5,213	4,539
	<b>3,69,184</b>	<b>3,43,952</b>

**HELLA INDIA LIGHTING LIMITED**

Notes to financial statements for the year ended 31 March 2021  
(All amounts are in Thousand Indian Rupees except number of shares)

**4.29 Commitments**

a) Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances Rs.)	43,087	23,215

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

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

**4.31 Contingent liabilities**

Contingent liabilities with respect to disallowance of expenses under Income-tax of Rs.9,242 (previous year Rs. 9,242) 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. 13,388 (previous year Rs. 11,456) 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 2021	As at 31 March 2020
<b>Changes in the present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	25,495	21,384
Interest cost	1,785	1,497
Current service cost	4,222	3,457
Past service cost	-	-
Benefits paid	(4,059)	(2,449)
Actuarial loss	1,671	1,605
<b>Present value of defined benefit obligation at the end of the year</b>	<b>29,113</b>	<b>25,495</b>
<b>Changes in the fair value of the Plan assets</b> (The Company does not have any Plan assets)		
<b>Net liability recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	29,113	25,495
Fair value of the plan assets	-	-
Funded status (Deficit)	(29,113)	(25,495)
<b>Unrecognised past service cost</b>	<b>-</b>	<b>-</b>
<b>Net liability recognised in the Balance Sheet</b>	<b>(29,113)</b>	<b>(25,495)</b>
<b>Components of employer's expenses</b>		
Interest cost	1,785	1,497
Current service cost	4,222	3,457
Past service cost	-	-
<b>Actuarial assumptions</b>		
Discount rate	7.00%	7.00%
Salary escalation	6.50%	6.50%
Retirement age	58 years	58 years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal rate (per annum)	5%	5%



**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2021

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

**Experience Adjustment**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018	As at 31 March 2017
Present value of DBO at the end of the year	29,113	25,495	21,385	16,892	13,577
Experience adjustments on Plan assets/liabilities (gain) /loss	1,671	80	302	1,223	581

**Sensitivity Analysis for significant actuarial assumptions**

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)				
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	32,016 10%	26,588 -9%	27,955 10%	23,351 -8%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	26,656 -8%	31,900 10%	23,424 -8%	27,840 9%
Attrition Rate (- / + 1%) (% change compared to base due to sensitivity)	29,111 0%	29,102 0%	25,483 0%	25,496 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 2021	As at 31 March 2020
Discount rate	7.00%	7.00%
Salary escalation	6.50%	6.50%
Retirement age	58 years	58 years
Mortality table	IAM (2012-14) mortality tables	IAM (2012-14) 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 2021 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 2021	As at 31 March 2020
i)	the principal amount remaining unpaid to supplier as at the end of the year	80,170	59,849
ii)	the interest due on the principal remaining outstanding as at the end of the year	509	1,068
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	1,086	2,522
v)	the amount of interest accrued and remaining unpaid at the end of the year	18,272	16,677
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**

Notes to financial statements for the year ended 31 March 2021  
(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 Hella Innenleuchten-Systeme Bratislava, Solakia Hella Automotive Sales, Inc (Formally Hella Inc., United States of America) Hella Romania S.R.L., Romania Hella Saturnus Slovenija D.O.O., Slovenia Hella Innenleuchten-Systeme GmbH, Germany Hella Lighting Finland Oy, Finland 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 Do Brasil Automotive Ltda Hella trading (Shanghai) co. ltd. 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. Hella Ltd.UK Changchun HellaFaway Automotive Lighting Co., Ltd
3 Key management personnel	Mr. Rama Shankar Pandey (Managing Director)

**c) Related party transactions:**

Nature of transaction	Year Ended 31 March 2021	Year Ended 31 March 2020
<b>Sale of products</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	1,74,743	1,25,571
Fellow subsidiaries		
- Hella India Automotive Private Limited	-	3
- Hella Fahrzeugteile Austria GmbH	13,341	13,468
- Hella Australia Pty. Limited	1,449	587
- Hella Asia Singapore Pte. Limited	40	-
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	52,928	42,695
- Hella Automotive South Africa Pty. Ltd.	27,861	29,047
- Hella Middle East FZE	52,812	25,960
- Hella PHIL.INC	109	294
- Hella trading (Shanghai) co. ltd.	444	317
- Hella Romania SRL	562	41
- Hella Do Brasil Automotive Ltd	2,029	1,741
- Hella LLC, Russia	5,149	2,831
- Hella New Zealand Limited	434	1,358
- Hella S.A.S France	688	29
- Hella Innenleuchten Systeme GmbH	34	33
- Hella Ltd.	400	-

**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2021

(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.)	26,883	38,057
Fellow subsidiaries		
- Hella India Automotive Private Limited	86,280	1,23,499
- Hella Fahrzeugteile Austria	17,665	12,522
- Hella Asia Singapore Pte. Limited	-	414
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	737	55
- Hella New Zealand Ltd	2,511	3,255
- Hella Pagid GmbH	15,735	10,354
- Hella Saturnus Slovenija D.O.O	2,173	3,158
- Behr Hella Services GmbH	-	3
- Docter Optics GmbH	1,112	257
- Hella Australia Pty. Limited	295	587
- Hella Slovakia Signal-Lighting s.r.o	23	32
- Hella Innenleuchten Systeme GmbH	5,273	8,854
- Hella Automotive Mexico S.A.	-	13
- HELLA BHAP(Sanhe)Automotive Lighting Co.,Ltd	-	290
- Hella Romania SRL	31,253	8,291
- Hella Innenleuchten System Bratisallva S.R.O	491	379
<b>Other operating revenue</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	23,546	23,533
Fellow subsidiaries		
- Hella India Automotive Private Limited		43
- Hella Fahrzeugteile Austria	1,875	3,337
- Hella Romania SRL	2,447	1,558
- Hella Gutmann Solutions GmbH	27,984	24,842
- Hella New Zealand Ltd	926	-
<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)	2,150	1,438
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.) (Service specific contract for Purchase services and misc training)	2,154	2,029
Fellow subsidiaries		
- Hella India Automotive Private Limited	6,249	6,036
- Hella Corporate Center China	207	-
<b>Interest Expense</b>		
- Hella GmbH & Co. KGaA (ECB)	22,179	-
<b>Other Operating expenses</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	43	0
Fellow subsidiaries		
- Hella New Zealand Limited	12	0
<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.)	52,402	43,438
<b>Royalty expenses</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	16,971	22,480

**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2021

(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.)	719	17,043
(Interest capitalized on borrowing)		
Fellow subsidiaries		
- Hella Lighting Finland Oy	1,037	-
- Hella New Zealand Limited	19	-
- Hella Fahrzeugteile Austria	846	-
- Hella Romania SRL	213	1,523
- Hella India Automotive Private Limited	-	75
- HELLA Innenleuchten-Systeme GmbH	21	-
- HELLA Autotechnik Nova, s.r.o.	4	-
<b>Sale of fixed assets</b>		
Fellow subsidiaries		
- Hella Romania SRL	1,084	-
<b>Sale of project tools</b>		
Fellow subsidiaries		
- Hella Fahrzeugteile Austria	-	619
- 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
To fellow subsidiaries		
- Hella India Automotive Private Limited	12	35
- Hella Fahrzeugteile Austria GmbH	-	7
- Hella Romania SRL	-	40
- HELLA Autotechnik Nova, s.r.o.	-	282
<b>Reimbursement of expenses</b>		
From ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	1,131	190
From fellow subsidiaries		
- Hella India Automotive Private Limited	895	1,067
- Hella Romania SRL	-	101
- Changchun HellaFaway Automotive Lighting Co., Ltd	674	-
<b>Managerial remuneration</b>		
Key management personnel		
- Rama Shankar Pandey	12,449	13,776

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

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
<b>Trade receivables</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	53,693	59,595
Fellow subsidiaries		
- Hella India Automotive Private Limited	44	-
- Hella Fahrzeugteile Austria GmbH	7,947	8,042
- Hella Australia Pty. Limited	534	67
- Hella Innenleuchten-Systeme GmbH	34	35
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America)	29,309	15,580
- Hella Automotive South Africa Pty. Ltd.	8,374	9,105
- Hella Middle East FZE	10,981	3,097
- Hella S.A.S france	7	20
- Hella Gutmann Solutions GmbH	4,692	2,072
- Hella trading (Shanghai) co. Ltd.	132	106
- Hella Romania SRL	1,156	67
- Hella LLC, Russia	2,766	891
- Hella Do Brasil Automotive Ltda	2,015	1,843
- Hella New Zealand Limited	803	17
- Hella Ltd.UK	379	-
- Changchun HellaFaway Automotive Lighting Co., Ltd	669	-
<b>Long term borrowings</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	2,50,000	2,50,000

**Hella India Lighting Limited**

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

**Trade payables**

Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	35,388	35,604
Fellow subsidiaries		
- Hella India Automotive Private Limited	30,599	27,405
- Hella Fahrzeugteile Austria GmbH	5,273	3,439
- Hella Automotive Sales, Inc (Formally Hella Inc., United States of America	745	-
- Hella Saturnus Slovenija D.O.O	458	973
- Hella Innenleuchten-Systeme GmbH	2,673	3,271
- Hella New Zealand Limited	1,155	1,431
- Hella Australia Pty. Limited	182	307
- Hella Romania SRL	29,513	2,251
- Hella Pagid GmbH	10,830	4,534
- Docter Optics GmbH	-	273
- Hella Innenleuchten-Systeme Bratislava	123	214
- Hella Automotive Mexico S.A.	-	14
- Hella Slovakia Front Light S.R.O.	-	22
- Hella Autotechnik Nova, s.r.o.	4	-
<b>Capital Creditors</b>		
Fellow subsidiaries		
- Hella Australia Pty. Limited	-	-
<b>Other Current Liabilities</b>		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany (Formally Hella KGaA Hueck & Co.)	11,063	11,264

## Hella India Lighting Limited

Notes to financial statements for the year ended 31 March 2021

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

### 4.36 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under the Company recognises a right-of-use asset and a lease liability at 1 April 2019. 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. As a result, the comparative information has not been restated. In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases"

The Company has not applied the requirements of Ind AS 116 for leases of low value assets (assets of less than USD 5,000 in value)

The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition

The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease

#### 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.

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

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

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Right of use assets</b>		
Building	8,958	28,817
Vehicles	180	1,327
<b>Total</b>	<b>9,138</b>	<b>30,144</b>

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Lease liabilities</b>		
Current	6,104	10,676
Non-current	4,895	11,000
<b>Total</b>	<b>10,999</b>	<b>21,676</b>

#### Maturity analysis of lease liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Within one year	6,104	10,676
Later than one year but less than five years	4,895	11,000
Later than five years	-	-
<b>Total</b>	<b>10,999</b>	<b>21,676</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 leases:

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Depreciation charge of right of use of assets</b>		
Building	9,906	9,953
Vehicles	573	574
<b>Total</b>	<b>10,479</b>	<b>10,527</b>

Particulars	As at 31 March 2021	As at 31 March 2020
Interest expense on lease liabilities (included in finance cost)	1,519	1,971
Expenses relating to short term and low value leases (included in other expenses)	2,097	4,883
The total cash outflow for leases for the year ended 31 March 2021 were Rs.	12,536	15322

#### (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 2021

*(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 2021	As at 31 March 2020
Operating lease payments recognised during the year	-	-
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
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 leases liability.

**4.37 Earnings per share**

Particulars	As at 31 March 2021	As at 31 March 2020
Profit after tax	314	19,088
Weighted average number of equity shares outstanding during the year	31,71,400	31,71,400
Basic and diluted earnings per share in rupees (face value – Rs. 10 per share )	0.10	6.02

The Company has not issued any potential equity shares and accordingly the basic earnings per share and diluted earnings 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 2021	Year ended 31 March 2020
Employee benefit expenses	-	963
Travelling	-	1,843
Repairs and maintenance- others (IT expenses)	52,402	43,438
Legal and professional	4,973	5,210
Royalty	16,971	22,480
Other Expenses	996	359

**b) Earnings in foreign currency**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
F.O.B. value of exports	3,36,440	2,44,703
Other income (Development of tools)	1,61,164	52,164
Other income (Testing of Electronic Part)	1,624	-

**4.40** As stated in Part II Section A above, the promoters of the Company hold 82.58% of the total issued and subscribed equity capital of the Company and balance 17.42% 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.

**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 2020	Additions	Reversal/ Adjustment	As at 31 March 2021
Provision for export obligations under EPCG license *	1,094	-	1,094	-
Provision for warranty** (including additional warranty on interior lamp)	34,465	-	1,507	32,958

\* 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 licenses and paid the duty saved and interest thereon of Rs. 4,281 with the department and waiting for no dues from the department. During the year management assess the provision and decided to write back the provision due to remote liability.

\*\* 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 : 1,060
- b) Amount spent and paid during the year : 1,060

Particulars of amount paid during the year	For the year ended 31 March 2021	For the year ended 31 March 2020
For road safety activities	1,060	1,570
<b>Total</b>	<b>1,060</b>	<b>1,570</b>

**4.43 Capital management:**

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

- i) To ensure the company’s ability to continue as a going concern.
- ii) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders’ value.
- iii) Maintain an optimal capital structure.
- iv) 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:

- i) Compliance of financial covenants of borrowing facilities.
- ii) 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.

**4.44 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.



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

Particulars	As at 31 March 2021		As at 31 March 2020	
	(in original currency)	(in Rupees)	(in original currency)	(in Rupees)
<b>Trade receivable</b>				
- EURO	976	82,474	905	73,915
- USD	225	16,395	357	26,646
<b>Trade payables</b>				
- EURO	1,077	94,536	646	54,763
- USD	738	54,949	543	41,500
- AUD	3	182	7	307
<b>Capital Creditors</b>				
- EURO	6	513	8	636
- AUD	-	-	-	-
<b>Cash in hand and at bank</b>				
- EURO	59	5,185	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 2021	As at 31 March 2020
Investments	20	20
Security deposits (current and non - current)	9,637	9,032
Trade receivables	3,96,051	2,96,080
<b>Total</b>	<b>4,05,708</b>	<b>3,05,132</b>

Particulars	As at 31 March 2021	As at 31 March 2020
Not past due	2,67,869	1,80,447
Past due 0-30 days	1,16,898	57,895
Past due 31-90 days	10,814	56,360
Past due 90 days-one year	618	1,377
More than one year	9,657	9,053
<b>Total</b>	<b>4,05,856</b>	<b>3,05,132</b>

**Movement of allowance for financial assets**

Particulars	As at 31 March 2021	As at 31 March 2020
Opening allowance for financial assets	3,288	1,993
Add: Addition in allowances during the year	230	1,295
Less: Adjusted/reversed during the year	-	-
<b>Closing allowance for impairment in financial assets</b>	<b>3,518</b>	<b>3,288</b>

**Hella India Lighting Limited**

Notes to financial statements for the year ended 31 March 2021

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

**4.45 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 2021		As at 31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Other non current assets	42,231	42,231	12,023	12,023
Inventories	3,08,763	3,08,763	2,25,618	2,25,618
Trade receivables	3,96,051	3,96,051	2,96,080	2,96,080
Cash and cash balance	39,672	39,672	76,041	76,041
Other financial assets-	9,637	9,637	9,032	9,032
Other current assets	1,57,560	1,57,560	1,21,234	1,21,234
<b>Total</b>	<b>9,53,914</b>	<b>9,53,914</b>	<b>7,40,029</b>	<b>7,40,029</b>
<b>Financial liabilities</b>				
Trade payables	6,04,418	6,04,418	3,95,558	3,95,558
Other financial liabilities	83,047	83,047	20,450	20,450
Provisions	36,997	36,997	39,318	39,318
Other current liabilities	41,835	41,835	12,613	12,613
<b>Total</b>	<b>7,66,297</b>	<b>7,66,297</b>	<b>4,67,939</b>	<b>4,67,940</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**

sd/-

**Rama Shankar Pandey**  
Managing Director  
DIN : 02848326

sd/-

**Christoph Boris Sohnchen**  
Additional Director  
DIN- 09021769

sd/-

**Aakritee Khanna**  
Company Secretary  
Place: Gurugram  
Date: August 27, 2021

sd/-

**Amit Bhardwaj**  
Chief Financial Officer

If undelivered, please return to:

**Hella India Lighting Limited**

CIN: U74899DL1959PLC003126

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