

**LUMAX**



**POWERED** by  
**INTEGRATION**



**Lumax Auto Technologies Limited**

Annual Report  
2016-17

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### Forward-looking statement

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



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# 6,753.75

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

# 723

Employee strength

# 0.06

Debt : Equity as on  
March 31, 2017

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

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

At Lumax AutoTechnologies Limited, we understood the importance of this long back and embarked on a journey to become a multi-product, multi-location, multi-customer, and multi-technology organisation. Focused on this, we entered into collaborations with several leading international automotive component manufacturers that provided us access to latest global technologies and set up several joint venture companies focused on specific areas

of component manufacturing, thus diversifying our products portfolio. Moreover, the strong cash flows generated from our business enabled us to reach closer to customers as we set up state-of-the-art manufacturing facilities in key automotive hubs.

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

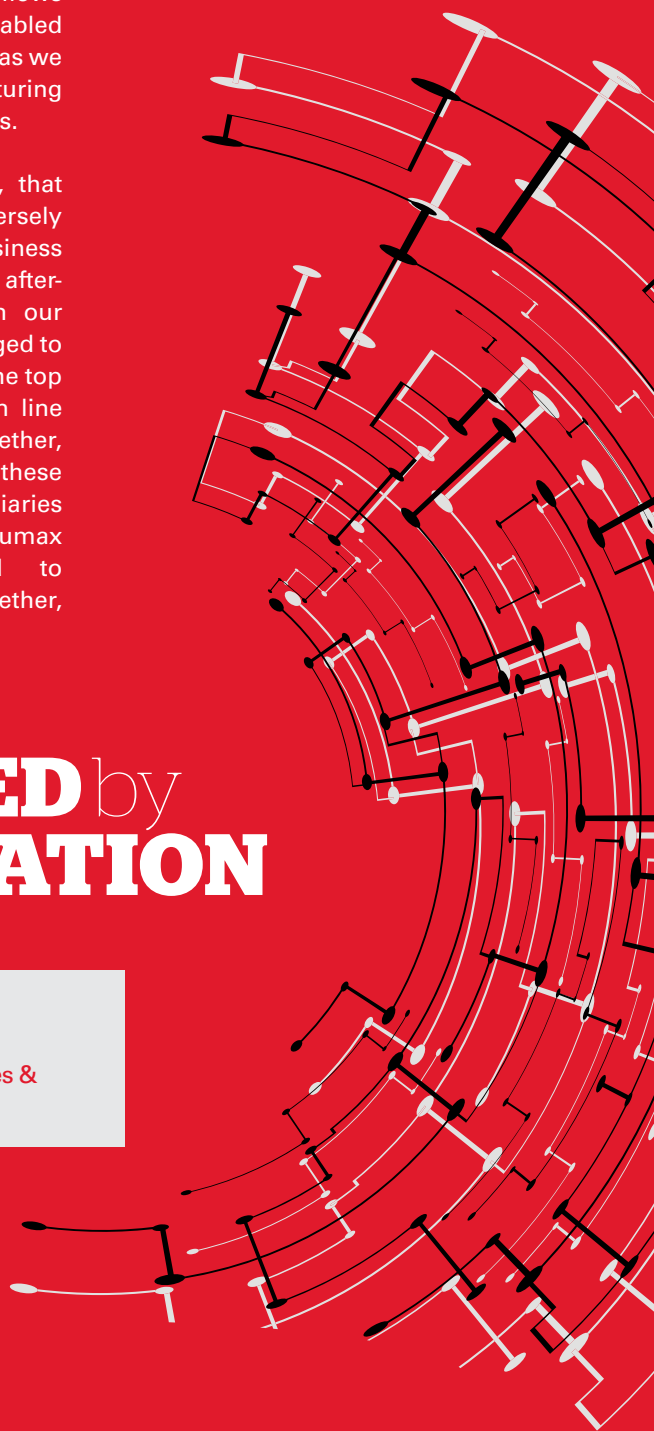
## POWERED<sup>by</sup> INTEGRATION

# 151.25%

Dividend pay-out to  
shareholders during 2016-17

# 68.01

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



## CORPORATE SNAPSHOT



### Group Snapshot

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

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

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

### Product & Services

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

## Foreign collaborations



JV for Emission Systems

Relationship since 2007

50% in Lumax Cornaglia Auto Technologies Pvt. Ltd.

JV for Gear Shifters

Relationship since 2008

45% in Lumax Mannoh Allied Technologies Ltd.

JV for Seat Frames, Structures and Mechanism

Relationship since 2013

50% in Lumax Gill-Austem Auto Technologies Pvt. Ltd.

JV for integrated Logistic Support Engineering

Relationship since 2015

49% in Lumax SIPAL Engineering Pvt. Ltd.

Exclusive distributorship agreement

Relationship since 2014



## Esteemed clientele

### Four-wheeler



### Commercial vehicle



### Two-wheeler



### Export



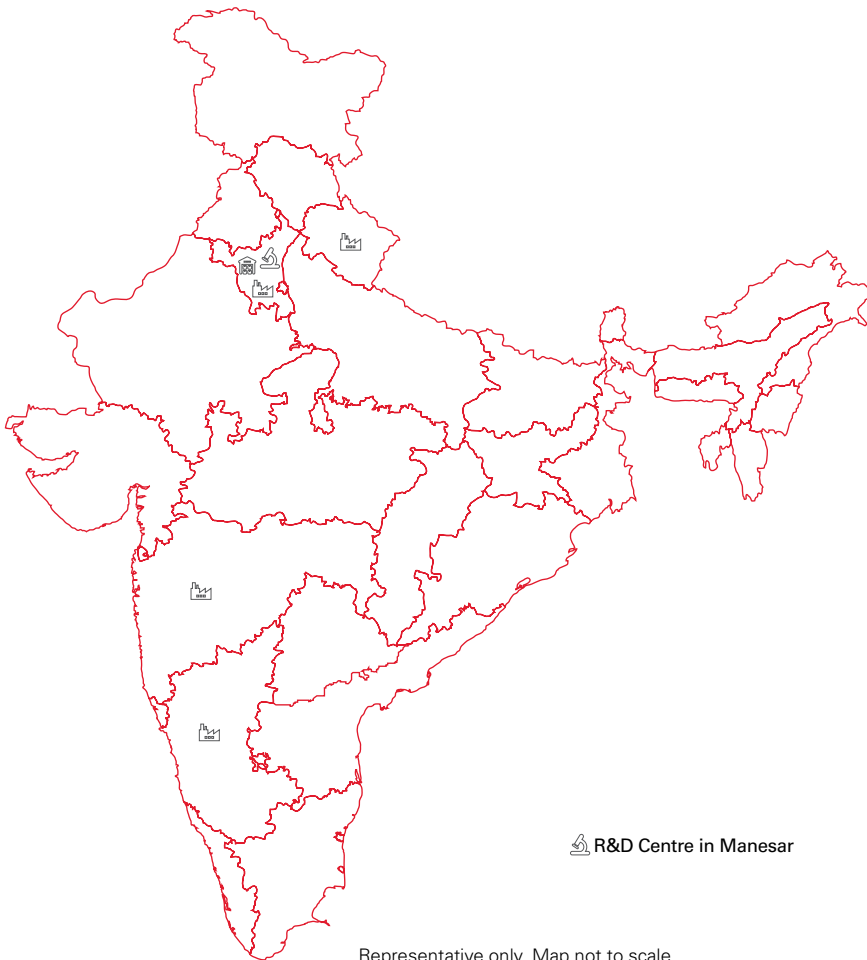
### Aftermarket Domestic & Global

## Corporate strengths

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

## Geographic presence

### Headquartered in Pune (Maharashtra)



Representative only. Map not to scale.

#### Manesar (Haryana)



3 plants

##### Products manufactured

SMT - LED, integrated plastic modules, gear shifters

#### Chakan & Bhosari (Pune, Maharashtra)



5 plants

##### Products manufactured

Lighting, air intake systems, CAC ducts, fabrication, seating frames & mechanisms

#### Aurangabad (Maharashtra)



2 plants

##### Products manufactured

Chassis

#### Bengaluru (Karnataka)



1 plant

##### Products manufactured

Integrated plastic modules

#### Pantnagar (Uttarakhand)



1 plant

##### Products manufactured

Lighting and painted parts

#### Gurugram (Haryana)



Aftermarket - Domestic and Export



## Business structure

### LUMAX AUTO TECHNOLOGIES LIMITED

Subsidiaries		Joint Ventures	
Lumax DK Auto Industries Ltd. (100%)	Lighting, integrated plastic modules	Lumax Gill-Austem Auto Technologies Pvt. Ltd. (50%)	Seat frames and mechanism
Lumax Mannoh Allied Technologies Ltd. (55%)	Gear shifters	Lumax Cornaglia Auto Technologies Pvt. Ltd. (50%)	Air intake systems
Lumax Management Services Pvt. Ltd. (100%)	Corporate support services	Lumax SIPAL Engineering Pvt. Ltd. (51%)	Aerospace & defence engineering services
Lumax Integrated Ventures Pvt. Ltd. (100%)	Non-Auto Products	Lumax Energy Solutions Pvt. Ltd. (100%)	LED lighting
		Velomax Mobility Pvt. Ltd. (100%)	Under Project Evaluation



## AWARDS AND ACCOLADES



Lumax Auto received prestigious JIPM Award for TPM excellence



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



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



Lumax Auto received TPM Award from Bajaj Auto Limited



Lumax Auto received Silver Quality Award from Bajaj Auto Limited



Lumax Auto received Quality-Gold Award from Bajaj Auto Limited



Lumax DK, subsidiary Company won JIPM Consistency Award



1981-1990

# MILESTONES

**1981**

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

**1988**

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

1991-2000

**1997**

A Unit was setup in Waluj, Maharashtra to manufacture Chassis

**2000**

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

2001-2006

**2002**

Started Lighting Division at Chakan in Pune

**2006**

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

2007-2011

**2007**

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

**2009**

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

**2011**

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

2012-2017

**2012**

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

**2013**

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

**2014**

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

**2015**

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

**2016**

Pantnagar plant received TPM consistency award from JIPM

**2017**

Chakan plant received TPM excellence award from JIPM

# Unleashing the power of integration

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

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