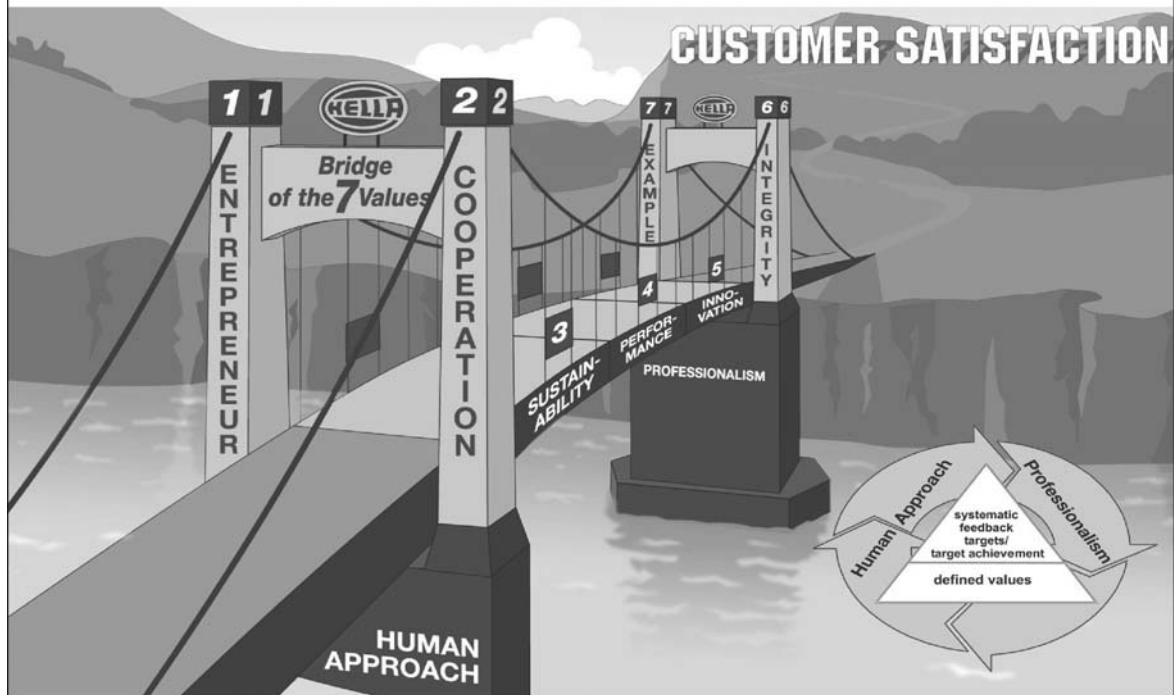




52nd ANNUAL
REPORT 2011-12

HELLA INDIA LIGHTING LIMITED



From the Managing Director's Desk

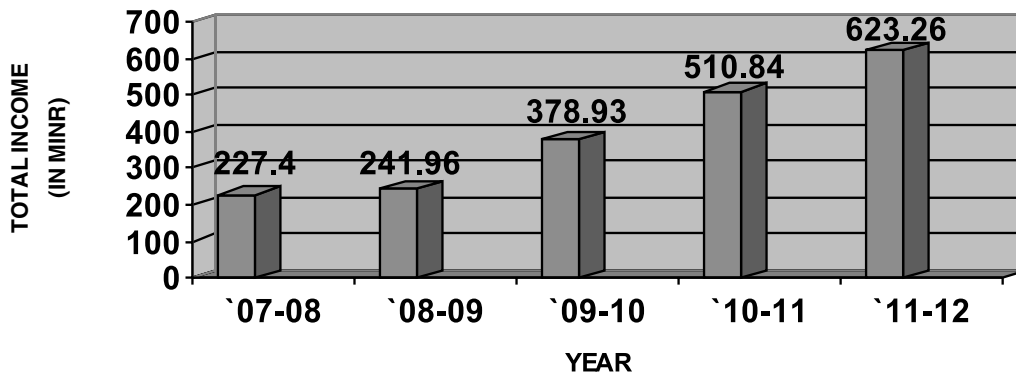


Dear Shareholders,

It gives me immense pleasure and privilege to communicate to you again at the occasion of 52nd Annual General Meeting of the Company. I wish to take this opportunity to share the vision of Hella community to become the market leaders in all the chosen market space in this country. For this, employees of your company have been contributing to bring synergy among various developments and hence achieve very high level of effectiveness & efficiency to fulfill our vision. This year we repositioned our vision statement for Hella India Lighting Limited (HIL) as "Technology of Tomorrow for the life of Today on Indian Roads". With our Full LED tail lamp, safety lights, we are targeting to become active player to ensure road safety and reduce alarming level of road accident deaths in our country.

I am pleased to inform you that your company has maintained its high sales growth path and good performance of the Company has been continued for the year 2011-2012. Many of the initiatives taken by the Company for achieving competitiveness and sustainable growth have begun yielding encouraging results.

GROWTH STORY



With my sincere appreciation to our all employees, I hope with their continuous support, we would be able to take new initiatives for achieving competitiveness and growth in the year 2012-13.

Further, I am also expecting the same level of efforts, inputs and nourishing suggestions from the Board Members and management team because of which we delivered the value to our customers and stakeholders each day.

Seeking your usual support for executing Hella's growth strategy.

Best regards,

Sd/-
(Rama Shankar Pandey)
Managing Director

HELLA INDIA LIGHTING LIMITED



BOARD OF DIRECTORS

| | |
|-------------------------------|---------------------|
| Mr. Rama Shankar Pandey | : Managing Director |
| Mr. Christof Johannes Droste | : Director |
| Dr. Gunther Schmidt | : Director |
| Mr. Akhilesh Kumar Maheshwari | : Director |
| Mr. Guido Johannes Christ | : Director |
| Mr. Avinash Razdan Bindra | : Director |

AUDIT COMMITTEE MEMBERS

| |
|-------------------------------|
| Mr. Rama Shankar Pandey |
| Mr. Akhilesh Kumar Maheshwari |
| Mr. Guido Johannes Christ |
| Mr. Avinash Razdan Bindra |

SHARE HOLDERS' GRIEVANCE COMMITTEE MEMBERS

| |
|-------------------------------|
| Mr. Rama Shankar Pandey |
| Mr. Akhilesh Kumar Maheshwari |
| Mr. Guido Johannes Christ |
| Mr. Avinash Razdan Bindra |

COMPANY SECRETARY

Mr. Sarvesh Upadhyay

AUDITORS

B S R & Co.
Chartered Accountants,
Gurgaon

BANKERS

- Canara Bank
- Deutsche Bank
- State Bank of Patiala
- Union Bank of India
- HDFC Bank
- Bank of India
- Punjab National Bank

REGISTERED OFFICE

B-13, Badarpur Extension,
New Delhi - 110044

UNITS

- Ambala Chandigarh Road, Derabassi,
Distt. Mohali, Punjab-140507
- Khewat Number 240/220, Kila Number 17/6,
Badshahi Road, Surat Nagar - II,
Gurgaon, Haryana - 122001

LISTING OF EQUITY SHARES

- The Delhi Stock Exchange Association Ltd.
DSE House, 3/1, Asaf Ali Road,
New Delhi - 110002
- Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400001

ANNUAL GENERAL MEETING

Saturday, 29th September 2012 at 9:30 A.M.
at Vyayam Shala, Vilege Jhuljhuli, P.O. Ghumanhera,
New Delhi - 110073

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
(formerly Intime Spectrum Registry Limited)
A-40, 2nd Floor, Naraina Industrial Area, Phase-II,
Near Batra Banquet Hall,
New Delhi - 110028

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NOTICE

Notice is hereby given that the 52nd Annual General Meeting of the members of Hella India Lighting Limited will be held at Vyayam Shala, Vilege Jhuljhuli, P.O. Ghumanhera, New Delhi - 110073 on 29th September 2012, Saturday at 9:30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2012, Profit & Loss Account for the period ended on that date and the reports of the Board of Directors' and Auditor's thereon.
2. To appoint Statutory Auditors and to fix their remuneration.

"RESOLVED THAT M/s B S R & Co., Chartered Accountants (Membership No 101248W), Gurgaon, the Statutory Auditors of the Company, who retires at the conclusion of the 52nd Annual General Meeting, be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of 52nd Annual General Meeting till the conclusion of 53rd Annual General Meeting of the Company at the following remuneration;

| | |
|------------------------|-----------------|
| Statutory Audit fees | - ₹ 1,300,000/- |
| Tax Audit fees | - ₹ 120,000/- |
| Other matters | - ₹ 500,000/- |
| Out of pocket expenses | - ₹ 160,000/- |

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 Mr. Guido Johannes Christ, who was appointed with effect from 1st October 2010 as a Director in Casual Vacancy, in terms of Article 132 of the Articles of Association read with Section 262 of the Companies Act, 1956, due to resignation of Mr. Carsten Hernig and in respect of whom the company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director and Mr. Sarvesh Upadhyay - Company Secretary of the Company be and are hereby severally authorized to file necessary E-forms with Ministry of Corporate Affairs and to do all other acts, deeds and things as may be necessary in this regard."

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

"RESOLVED THAT Dr. Gunther Schmidt, who was appointed with effect from 1st October 2010 as a Director in Casual Vacancy, in terms of Article 132 of the Articles of Association read with Section 262 of the Companies Act, 1956, due to resignation of Mr. Constantin Von Buelow and in respect of whom the company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director and Mr. Sarvesh Upadhyay - Company Secretary of the Company be and are hereby severally authorized to file necessary E-forms with Ministry of Corporate Affairs and to do all other acts, deeds and things as may be necessary in this regard."

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

"RESOLVED THAT Mr. Christof Johannes Droste, who was appointed with effect from 30th May 2012 as a Director in Casual Vacancy, in terms of Article 132 of the Articles of Association read with Section 262 of the Companies Act, 1956, due to resignation of Mr. Stephan Gerres and in respect of whom the company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director and Mr. Sarvesh Upadhyay - Company Secretary of the Company be and are hereby severally authorized to file necessary E-forms with Ministry of Corporate Affairs and to do all other acts, deeds and things as may be necessary in this regard."



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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions of the Companies Act, 1956, subject to the approval of Central Government, if required, and such other sanctions and approvals as may be required, the appointment of Mr. Rama Shankar Pandey be and is hereby approved for a period of 3 years w.e.f. 1st January 2012 till 31st December 2014 on the following remuneration:

Gross Salary : ₹44,00,000 p.a. (Basic shall not exceed 45% of Gross Salary i.e. ₹19,80,000 p.a.)

Variable Bonus : Maximum upto annual basic

Conveyance : At Actuals

RESOLVED FURTHER THAT Dr. Gunther Schmidt - Director of the Company be and is hereby authorized to decide the various components of the remuneration payable to Mr. Rama Shankar Pandey within the limits, approved by the Shareholders from time to time, in consultation with Mr. Rama Shankar Pandey.

RESOLVED FURTHER THAT an annual increment of 20% in the gross salary, be and is hereby approved for the second year and also for third year.

RESOLVED FURTHER THAT Mr. Pandey shall carry out all his duties subject to supervision, control and direction of the Board of Directors of the Company".

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

"RESOLVED THAT pursuant to Section 372A of the Companies Act 1956, and any other provisions applicable for the time being in force, consent of the members of the company be and are hereby accorded to approve the unsecured loan of INR 100 million (₹10 Crore) at the interest rate of 11% per annum for three years to Hella India Automotive Private Limited (Formerly known as Hella India Electronics Private Limited).

RESOLVED FURTHER THAT consent of the members is also hereby given to rectify all the actions taken by authorized persons of the company in this regard."

By Order of the Board
For Hella India Lighting Limited

Sd/-
Sarvesh Upadhyay
Company Secretary

Place : Gurgaon
Date : 14th August 2012

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- The instrument(s) appointing the proxy, if any, should be delivered at the registered office of the Company at B-13, Badarpur Extension, New Delhi-110 044, not less than 48 (forty eight) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall have the right to vote only on the poll, if demanded at the meeting.
- The Register of Members and Share Transfer Books of the Company shall remain close for a period of 6 days, from 10th September 2012 to 15th September 2012 (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), A-40, Naraina Industrial Area, Phase-II, 2nd Floor, Near Batra Banquet Hall, New Delhi - 110028.
- Members desirous of having any information regarding Accounts are requested to send their queries to the Company at least 15 days before the date of the meeting, so that the requisite information is made available at the meeting.
- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

HELLA INDIA LIGHTING LIMITED



INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the listing agreement, the particulars of Directors who are proposed to be appointed / re-appointed are given below:

1. Name : Mr. Guido Johannes Christ,
Qualification : Mechanical Engineering and German Diploma (Comparable to M.Eng.) with focus on Turbo machinery
Brief Profile : Mr. Guido Johannes Christ is approx 60 years old and having approx 37 years of rich experience in Research and Development of Mechanical power transmission components, Sales & Marketing of power transmission components and managing Strategic Business unit.
Shareholding in the Company : Nil
Other Directorships : Nil
He is also a member of Audit Committee, Shareholders' Grievance Committee, Share Transfer Committee and Remuneration Committee of the Company.
2. Name : Dr. Gunther Schmidt,
Qualification : Dr.-Ing.
Brief Profile : Dr. Gunther Schmidt is approx 41 years old and having decades of rich experience in leading positions with Design, Development and managing the SOE Business Division.
Shareholding in the Company : Nil
Other Directorships : Nil
He is also a member of Remuneration Committee of the Company.
3. Name : Mr. Christof Johannes Droste,
Qualification : Studies Communication Engineering, Degree Dissertation, CEAG (computer power supplies) and Soest.
Brief Profile : Mr. Christof Johannes Droste is approx 51 years old and having approx 25 years of rich experience in Design and development of products, supply chain management, pioneer in managing business of aftermarket division, product management, purchase etc.
Shareholding in the Company : Nil
Other Directorships : Hella Saturnus Slovenia
He is also a member of Remuneration Committee of the Company.

By Order of the Board
For Hella India Lighting Limited

Sd/-
Sarvesh Upadhyay
Company Secretary

Place : Gurgaon
Date : 14th August 2012



EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 3

The members may be informed that Mr. Guido Johannes Christ was appointed with effect from 1st October 2010, to fill the casual vacancy created by the resignation of Mr. Carsten Hernig on 10th September 2010, in terms of Article 132 of the Articles of Association read with Section 262 of the Companies Act, 1956.

The Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying the intention to propose the name of Mr. Guido Johannes Christ as a Director, along with a deposit of ₹500/-

The Board of Directors recommends the Resolution for approval by the members.

None of the Directors except Mr. Guido Johannes Christ, being himself, is interested or concerned in the resolution.

Item No. 4

The members may be informed that Dr. Gunther Schmidt was appointed with effect from 1st October 2010, to fill the casual vacancy created by the resignation of Mr. Constantin Von Buelow on 10th September 2010, in terms of Article 132 of the Articles of Association read with Section 262 of the Companies Act, 1956.

The Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying the intention to propose the name of Dr. Gunther Schmidt as a Director, along with a deposit of ₹500/-

The Board of Directors recommends the Resolution for approval by the members.

None of the Directors except Dr. Gunther Schmidt, being himself, is interested or concerned in the resolution.

Item No. 5

The members may be informed that Mr. Stephan Gerres has resigned with effect from 29th May 2012. To fill the casual vacancy, Mr. Christof Johannes Droste was appointed as a Casual Director with effect from 30th May 2012, in terms of Article 132 of the Articles of Association read with Section 262 of the Companies Act, 1956.

The Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying the intention to propose the name of Mr. Christof Johannes Droste as a Director, along with a deposit of ₹500/-

The Board of Directors recommends the Resolution for approval by the members.

None of the Directors except Mr. Christof Johannes Droste, being himself, is interested or concerned in the resolution.

Item No. 6

The members may be informed that the tenure of Mr. Rama Shankar Pandey as a Managing Director was expired on 31st December 2011, therefore, Board of Directors in their meeting held on 14th November 2011, has already re-appointed Mr. Rama Shankar Pandey as Managing Director for 3 years with effect from 1st January 2012 to 31st December 2014.

Remuneration Committee of the Company and your Directors has approved the said appointment and remuneration of Mr. Rama Shankar Pandey.

The Company has also not made any default in repayment of any of its debts (including public deposits) or debenture or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of Mr. Rama Shankar Pandey as Managing Director.

The Board of Directors recommends the said resolution for approval by the members.

None of the Directors except Mr. Rama Shankar Pandey, being himself, is interested or concerned in the resolution.

Information as required by the Schedule XIII, Section - II (C) of the Companies Act, 1956

I. GENERAL INFORMATION

- (1) Nature of Industry: Your Company is engaged in the manufacturing of Automotive Components.
- (2) Date of Commencement of Commercial Production : June 1982
- (3) Expected date of commencement of activity as per project approved by the financial institution : N.A.
- (4) Financial Performance of the Company for Financial Year 2011-2012

| Particulars | Amount (₹) |
|--|--------------|
| Net Sales | 58,35,43,433 |
| Other Income (including operating revenue) | 3,97,20,021 |
| Total Expenditure | 65,48,09,586 |
| Loss before Tax | 3,15,46,132 |
| Net Loss | 3,16,20,132 |

- (5) Export Performance: During the Financial Year 2011-2012, the total exports of the Company was ₹ 4,84,61,254.
- (6) Foreign Investments or Collaborators: M/s Reinhold Poersch GmbH, Germany is having 51% Equity Share Holding in the Company.

II. INFORMATION ABOUT MR. RAMA SHANKAR PANDEY, APPOINTEE

1) Background details

| | |
|---------------------|---|
| Name | Mr. Rama Shankar Pandey |
| Father's Name | Shri Shambhu Nath Pandey |
| Age | 35 years |
| Qualification | B.Tech, Diploma in Business Finance and Executive General Management |
| Past Experience | Approx 15 years of rich experience in automotive components Industry. |
| Other Directorships | Nil |

2) Past Remuneration :

Mr. Rama Shankar Pandey was appointed as Managing Director in your Company with effect from 1st January 2010 for 2 years. A remuneration of upto ₹ 40.05 Lakhs per annum was approved by Shareholders and Central Government till 31st December 2011.

Thus, past remuneration of Mr. Rama Shankar Pandey, as on 31st December 2011, was ₹ 40.05 Lakhs per annum.

3) Recognitions and awards :

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

4) Job Profile and his suitability:

Mr. Rama Shankar Pandey will be responsible for overall day to day management of the Company and shall be vested with substantial power of management of Company's affairs under the supervision and control of the Board of Directors of the Company. Considering the vast and versatile experience of Mr. Rama Shankar Pandey and also his performance during last 2 years, he is very much suitable for the job profile.

5) Remuneration Proposed :

It is proposed to appoint Mr. Rama Shankar Pandey for the period of three years starting from 1st January 2012 to 31st December 2014. Keeping in view of his roles and responsibilities in the Company, it is proposed to provide him salary of ₹44,00,000/- p.a. for calendar year 2012 with an annual increment of upto 20% in the gross salary for rest of the two subsequent years subject to necessary approvals. You may also like to note that in addition to above, he would also be entitled for variable bonus upto his annual basic salary which is at present limited to ₹19,80,000 per annum.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The proposed remuneration would be commensurate if compared with the similar industries having similar size, business volume, profit etc.

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

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

III. OTHER INFORMATION

1) Reasons of loss or inadequate profits:

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

2) Steps taken or proposed to be taken for improvement:

The performance of the Company is improving year by year now. Company is investing money for their future projects. The company is expecting to reap the benefit of its current investment in the future. After taking over as Managing Director by Mr. Rama Shankar Pandey, the Company has increased its turnover manifold and it is expected to improve further and have adequate profits in the years to come.

HELLA INDIA LIGHTING LIMITED



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

Expected net sales in 2012-13 is expected to be as follows:

| Financial Year | Expected Net Sales (₹ in Crores) | Expected Profit/(loss) (₹ in Crores) |
|----------------|-------------------------------------|---|
| 2012-13 | 78.21 | (1.131) |
| 2013-14 | 113.71 | 0.034 |
| 2014-15 | 176.25 | 7.140 |

IV. DISCLOSURES

1) The remuneration package of Mr. Rama Shankar Pandey is as follows:

Remuneration Package

Name of the Employee : Mr. Rama Shankar Pandey (Managing Director)

Amount (INR)

| S.No. | Salary Component | Revised Salary (Per Month) | TOTAL (Per Annum) |
|-----------------------|------------------------------|----------------------------|-------------------|
| 1 | Basic | 165000 | 1980000 |
| 2 | HRA | 82500 | 990000 |
| 3 | Education Research Allowance | 40000 | 480000 |
| 4 | SRA | 25000 | 300000 |
| 5 | Children Education Allowance | 8000 | 96000 |
| | TOTAL (A) Gross | 320500 | 3846000 |
| REIMBURSEMENTS | | | |
| 1 | Medical | 3500 | 42000 |
| 2 | LTA | 22865 | 274380 |
| | TOTAL (B) | 26365 | 316380 |
| OTHER BENEFITS | | | |
| 1 | PF | 19800 | 237600 |
| | TOTAL (C) | 19800 | 237600 |
| | TOTAL CTC (A+B+C) | 366665 | 4399980 |

- Apart from the above remuneration package, Mr. Rama Shankar Pandey shall also be eligible for reimbursement of conveyance expenses at actuals.
- Variable bonus will be paid to Mr. Rama Shankar Pandey with a maximum ceiling limit of annual basic salary.

Item No. 7

Your company had received a request from sister concern Hella India Automotive Private Limited (Formerly known as Hella India Electronics Private Limited) for a loan of ₹100 Million. After reviewing the application closely and after necessary due diligence of the applicant company's financials, your directors in their meeting held on 10th February 2012, had approved an Inter Company Loan of INR 100 million (₹10 Crore) at the interest rate of 11% per annum for a period of three years. The loan was disbursed on 4th April 2012 and borrower has an option for pre-payment any time within the period of three years. The loan is unsecured in nature, however, your directors, after taking into the consideration the financials and business plans of borrower Company, found that the safety of the said loan is reasonably satisfactory.

The loan disbursed along with other investments are not in excess of the limits prescribed under Sub Section (1) of Section 372(A), hence the Company has not opted for passing this resolution through postal ballot.

The Board of Directors recommends the said resolution for approval by the members.

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

By Order of the Board
For Hella India Lighting Limited

Sd/-
Sarvesh Upadhyay
Company Secretary

Place : Gurgaon
Date : 14th August 2012

**DIRECTORS' REPORT**

To,
The Members,

Your Directors are pleased to present the 52nd Annual Report and the Audited Accounts for the year ended March 31, 2012.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended March 31, 2012 is summarized below:

| | CURRENT YEAR ENDED 31.03.2012 | PREVIOUS YEAR ENDED 31.03.2011 |
|--|--|---|
| | | (₹ in Lakhs) |
| Profit/(Loss) after tax but before Depreciation & Interest | (164.12) | 2822.82 |
| Less: Interest | 9.18 | 47.23 |
| Profit/(Loss) after tax & Interest but before Depreciation | (173.30) | 2775.59 |
| Less: Depreciation | 142.90 | 210.92 |
| Profit/(Loss) after tax, Interest & Depreciation | (316.20) | 2564.67 |
| Balance Brought forward | (1205.99) | (3770.66) |
| Transfer from General Reserve to Profit & Loss Account | Nil | Nil |
| Balance carried over to the Balance Sheet | (1522.19) | (1205.99) |

OPERATIONAL PERFORMANCE

During the period under review for 12 months, the company achieved a net sales turnover of ₹ 5857.45 lakhs as compared to the previous year ₹ 4831.03 Lakhs. The net loss during the period under report amounts to ₹ 316.20 lakhs as compared to the previous year's net profit of ₹ 2564.67 Lakhs.

DIVIDEND

The Company has operational losses during the year and considering the huge accumulated losses of past years your Directors do not recommend any dividend.

SUBSIDIARIES

The operations in M/s Chetan Genthe & Co. Pvt. Ltd. (Chetan) and M/s Bitoni Lamps Ltd. (Bitoni), subsidiaries of the Company had been discontinued since financial year 2006-07. With effect from 8 June 2011, Chetan has been struck off from the Register of Companies (ROC) and that company stands dissolved. In case of Bitoni, based on the correspondence with the ROC, the dissolution and striking off of this company by the ROC is imminent. Your company has accordingly decided not to consolidate the financial statements of Bitoni as required by the Listing Agreement with the stock exchange. We wish to confirm that there is no material impact on the Company's consolidated turnover, consolidated net profit after tax and consolidated earnings per share for the year ended 31 March 2012 as compared to the stand alone turnover, net profit after tax and earnings per share of the Company.

DIRECTORS

Mr. Anil Sultan had vacated the office of Alternate Director on 26th May 2011 on the return of Mr. Stephan Gerres in the state of Haryana where the meeting of the Board of Directors ordinarily held. Further, Mr. Anil Sultan was again appointed as an Alternate Director to Mr. Stephan Gerres by the directors in their meeting held on 30th May 2011.

To strengthen the Board, Mr. Avinash Razdan Bindra was appointed as an Additional Director on 30th May 2011 who was later on regularized by the shareholders in their meeting held on 30th August 2011.

On 20th September 2011, Mr. Anil Sultan, due to his preoccupation, resigned from the Board as an Alternate Director. The Board wish to place on record their appreciation for the valuable knowledge, skills and support provided and shared by Mr. Anil Sultan during his tenure.

Since the tenure of Mr. Rama Shankar Pandey was only upto 31st December 2011 as Managing Director of the Company, the Board of Directors, in their meeting held on 14th November 2011, reappointed him as Managing Director for 3 years with effect from 1st January 2012.



Further, Mr. Stephan Gerres, due to his preoccupancy, resigned with effect from 29th May 2012 and Mr. Christof Johannes Droste was appointed with effect from 30th May 2012 to fill the casual vacancy as per Sec 262 of Companies Act, 1956.

In the ensuing Annual General Meeting, proposal to appoint all the three Casual Directors i.e. Mr. Guido Johannes Christ, Dr Gunther Schmidt and Mr. Christoph Johannes Droste, shall be placed to appoint them as Director liable to retire by rotation.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of annual accounts for the financial year ended 31st March 2012; the applicable accounting standards have been followed. However, with respect to valuation of inventory of finished goods, the Company has followed the general practice i.e. Cost or Net realizable value, whichever is lower.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for the year under review.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the accounts for the financial year ended 31st March 2012 on a going concern basis.

AUDITORS & THEIR REPORT

The Statutory Auditors of the Company, M/s B S R & Co., Chartered Accountants, retire at the ensuing AGM and, being eligible, offer themselves for re-appointment. The Company has received a letter from the Statutory Auditors to the effect that their reappointment, if made at the ensuing Annual General Meeting, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956.

The observations/remarks given by the Auditors in their report have been noted and the comments of the Directors on the same were as under:

Observation of Auditors : *Attention is invited to note 39 of the financial statements wherein it is stated that the Company has decided not to consolidate the financial statements of its wholly owned subsidiary, M/s Bitoni Lamps Limited.*

Comments of Directors: The Company had in earlier years applied to the Registrar of Companies (ROC) for dissolution and consequently striking off the names of its subsidiary i.e. Bitoni Lamps Limited (Bitoni), from the register of companies maintained by ROC.

The Company had received a letter from ROC dated 31 July 2009 stating that on the basis of the application of closure filed by the Company, the ROC is of the belief that Bitoni is not carrying on business and therefore unless the Company represents a reason to the contrary, the ROC would proceed further in accordance with provision of section 560 of the Companies Act, 1956 for dissolution and striking off Bitoni's name from the register of companies.

The Company has in the above cases continued to maintain its stand on dissolution of its subsidiary and has therefore decided not to consolidate the financial statement of its subsidiary as required by the Listing Agreement with the stock exchange.

Further, not consolidating these subsidiaries does not have material impact on the results of the Company as compared to the stand alone results of the Company;

Comment of Auditors: *Undisputed statutory dues on account of Service tax has generally been regularly deposited with the appropriate authorities, though there have been slight delays in few cases. Undisputed statutory dues on account of Provident Fund, Employee's State Insurance and Sales-tax have not generally been regularly deposited with the appropriate authorities, though the delays in deposit have not been serious.*

Comments of Directors: Your Company always try to adhere the statutory time lines provided for depositing statutory dues like Service tax, Provident Fund, Employee's State Insurance and Sales Tax etc. However, on certain occasions, due to unavoidable reasons, there were slight delays in depositing certain Statutory Dues. Your Company will take every step to avoid it in future and would also try to maintain high level of accuracy for statutory compliances.

Comment of Auditors : *The Company has incurred cash losses in the current and immediately preceding financial year.*



Comments of Directors : The performance of the Company is improving year by year now. Company is investing money for their future projects. Some of these expenses were having direct impact on the cash profits. Thus, the Company could not manage to get cash profit from operating activities in the current financial year. The company is expecting to reap the benefit of its current investment in the future.

FIXED DEPOSITS

Your Company has not accepted or renewed any deposits under section 58A of the Companies Act, 1956, during the year under review.

INDUSTRIAL RELATIONS

Relations with the work force at Derabassi plant and Gurgaon Plant (warehouse) remained cordial throughout the year. The Directors wish to place on record their appreciation of the sincere and devoted efforts of the Management, Staff and Workers during the period under review.

STATUTORY DISCLOSURES

The information relating to the Conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed as Annexure I and forms part of this report.

During the year under review, there was no employee of the Company who is covered under Report on particulars of the employee required in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DELISTING OF SECURITIES

Securities Appellate Tribunal (SAT) by its order dated 27th May 2008 allowed the Company to delist its securities from BSE. Few shareholders had made an appeal in the Hon'ble Supreme Court of India against the SAT order. Hence, the matter is pending with the Hon'ble Supreme Court.

ENVIRONMENTAL PROTECTION & POLLUTION CONTROL

Your Company regards preservation of the environment as one of its primary social responsibility. Accordingly, the Company places emphasis on compliance with pollution norms.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Details as required under Management Discussion and Analysis Report are appended as Annexure II.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance as required under the Clause 49 of Listing Agreement with Stock Exchanges is annexed as a separate section titled as "Report on Corporate Governance" to this Annual Report.

COMPLIANCE CERTIFICATE

A certificate from the Practicing Company Secretary, regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached and forms part of this report.

ACKNOWLEDGEMENT

Your Directors are grateful to the Banks, Shareholders, Customers, Distributors, Authorized Dealers and all other business constituents for the valued co-operation and support extended by them to the Company during the year under review. Your company is very much grateful to Hella KGaA Hueck & Co. for their continuous support.

Your Directors sincerely wish to thank the workers, staff and executives of the Company for the continuous hard work put in by them.

For and on behalf of the Board
Hella India Lighting Limited

Sd/-
(Rama Shankar Pandey)
Chairman

Place: Gurgaon
Date: 14th August 2012

INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

- a) Energy conservation measures taken:
- Improving power factor for conservation of electricity and improving manufacturing processes in our plant.
 - Using lights/electricity only whenever required.
 - Using temperature controller and their regular proper operational maintenance has ensured energy saving in phosphating, T.C. Cleaning, Zeta Coating Tank, for Electroplating, running of air compressor etc.
- b) No further investment was required during the year for reduction in consumption of energy:
- c) Impact of the measures at (a) above for reduction of energy consumption and consequent impact on the cost of production of the goods:
- The above measures taken are contributing towards reduction of energy conservation. The same has also a favorable impact on cost of production.
- d) Total energy consumption and energy consumption per unit of production:
- The Company is having 2 DG Sets of 200 KVA & 380 KVA. During the year the Company has consumed units of energy as detailed below:-

Electric Energy

- 1072431 Units, unit cost ₹ 58,98,371/- (Previous year 885600 Units, unit cost ₹ 47,39,302/-) supplied by Punjab State Electricity Board.
- DG Sets: Diesel consumed: 60297 Litres (Previous year 52120 Litres). ₹ 24,11,880/- (Previous year ₹ 19,23,000/-) incurred on Electricity Generation from DG Sets.

B. TECHNOLOGY ABSORPTION

- e) Efforts made in technology absorption are attached in form B.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO: (₹ In Lakhs)

During the year the Company achieved total export turnover of ₹484.61 (F.O.B. value). All steps have been taken to improve export turnover and tap new markets.

- f) Activities, Initiatives, development of new export market export plans.
- The Company is constantly trying to increase the export sales. To increase the same, the Company has also successfully developed and launched some of its products including fog lamp and driving lamp.
- g)
- | | |
|-------------------------|-----------------------------------|
| Foreign Exchange Used | ₹ 109.04 (previous year ₹ 105.60) |
| Foreign Exchange Earned | ₹ 510.58 (previous year ₹ 651.83) |



Form B

A RESEARCH & DEVELOPMENT (R& D):

- 1 Specific Areas in which R&D carried out by the company** In-house Design and Development team (D&D) is carrying intensive actions with the intent of producing better quality products. Many engineers of the company are working on this to achieve the task.
- 2 Benefits derived as a result of the above R&D** The Company has been able to successfully develop various products including LED tail lamps, Engine work lamp, Plug Socket etc for domestic and export market
- 3 Future plan of action** To come up more competitive products with reduced cost, to developed economies of scale, to upgrade the quality, to increase market share and to diversify existing customer base with the addition of new strategic customers and enhancing the existing relationship.
- 4 Expenditure on R& D**
- | | |
|---|-------------------------|
| a) Capital | Nil (Previous year NIL) |
| b) Recurring | Nil (Previous year NIL) |
| c) Total | Nil (Previous year NIL) |
| d) Total R&D expenditure as a % of total turnover | Nil (Previous year NIL) |

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- 1 Efforts, in brief, made towards technology absorption, adaptation and innovation** Company has its own Design & Development Department (D & D) and they were continuously making efforts towards technology, absorption, adaptation and innovation.
- 2 Benefit derived as a result of the above efforts** The after sale expenses i.e expenses on account of warranty performance has come down significantly.
- 3 In case of imported technology during the last five years:**
- | | |
|---|----------------|
| a) Technology imported | Not Applicable |
| b) Year of Import | |
| c) Has technology been fully absorbed | |
| d) If not, areas where this has not taken place, reasons therefore and future plans of action | |

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

Sd/-
(Rama Shankar Pandey)
Chairman

Place: Gurgaon
Date: 14th August 2012



ANNEXURES TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Hella India Lighting Limited is pleased to present its analysis report covering the outlook for the future. The report contains forward looking statements, which may be identified by their use of words like plans, expects, anticipates, believes, intends, projects, estimates or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statement about the company's strategy for growth, product development, market position, expenditures and financial results are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The company can not guarantee that these assumptions and expectations are accurate or will be realized.

The company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events.

1. Industry Structure and developments

The Indian Automotive Industry embarked on a new journey in 1991 with delicensing of the sector and subsequent opening up of FDI through automatic route. Since then almost all the global majors have set up their facilities in India taking the level of production of vehicles manifold.

The growth of Indian middle class with increasing purchasing power along with strong growth of economy has already attracted the major auto manufacturers to Indian market. The availability of trained manpower at competitive cost has further added to the attraction of Indian domestic market. The increasing pull of Indian market has also worked as a push factor for shifting of new capacities and flow of capital to the auto industry of India. The increasing competition in auto companies has not only resulted in multiple choices for Indian consumers at competitive costs, it has also ensured an improvement in productivity to a substantial extend.

Since your company is engaged in the business of automotive components, increasing number of automotive companies/ increasing production offers greater opportunities.

2. Opportunities and Threats

The continuous growth of the automobile sector provides a wonderful opportunity to your company which also has a strong "Hella" brand with high quality products to offer to the growing market. Company has its own after market division which is an added advantage in the era of fast changing technology. Company's adherence with good quality products is already known to various customers of the company. Company also has strong technical support from Hella KGaA Hueck & Co. which is ultimate parent company of your company. International brand, innovative and environment friendly products, growing After Market division continue to remain the main strengths of the Company.

The stiff competition in the domestic as well as international market, rigid norms and the competition from various copy product manufacturers may pose a short-term threat to the Company.

However, intense competition from existing as well as new players with consistent pressure on realization, need for continued investment in product upgradation, new product introduction, to keep ourselves abreast with latest technology are the main areas of concern for the management.

3. Segment wise performance

The Company is engaged in the business of manufacture of auto components/accessories which is a primary segment for the Company which constitutes a single business segment and accordingly disclosure requirements of Accounting Standard 17, "Segment Reporting", prescribed by the Companies (Accounting Standard) Rules 2006 in relation to primary segment are not required to be given.

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

| | Year ended 31 March 2012 | | | Year ended 31 March 2011 | | |
|---------------------|--------------------------|---------------|--------------------|--------------------------|---------------|--------------------|
| | Within India | Outside India | Total | Within India | Outside India | Total |
| Segment revenue | 572,205,653 | 51,057,801 | 623,263,454 | 445,659,221 | 65,182,994 | 510,842,215 |
| Segment assets | 420,444,465 | 10,611,440 | 431,055,905 | 461,275,998 | 9,844,250 | 471,120,248 |
| Capital expenditure | 23,044,690 | — | — | 8,279,935 | — | 8,279,935 |



Segment accounting policies

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

a) Segment assets

Segment assets include all operating assets used by a segment and consist principally of fixed assets, capital work in progress, current assets and loans and advances.

b) Segment revenue

Segment revenue excludes trade discounts, excise duty and exceptional item and includes other income. Segment revenue has been allocated to both the segments on the basis of specific identification.

4. Outlook

The company is concentrating to keep its raw materials cost within its budgeted target. The company would also try to increase the sales prices for few products which would ultimately result into decreasing of raw material ratio as compare to Sales. Company is also concentrating on developing new products and designs. As also evident from the results, the management decision to focus on Derabassi plant is now yielding results and turnover has increased manifolds.

5. Internal Control Systems & their adequacy

The Company has an effective Internal Control System in place. The Company has an Internal Auditors who undertake routine checking of various procedures, vouching etc. The observations of Internal Auditors are reviewed by the management and key findings were discussed for implementation and/ or correction, as the case may be. In spite of the fact that this is subject to inherent limitations in the system, procedure and coverage thereof, still it provide to management a reasonable assurance that the established policies and the procedures of the Company have been followed, its assets safeguarded and any form of fraud and other irregularities prevented from occurring.

6. Financial performance of the Company with respect to Operational Performance

The operational and financial performance has been explained separately.

7. Material Developments in Human Resources, Industrial Relations

The Company continues to lay emphasis on qualitative growth of its human resources by providing congenial and constructive work environment. Company also provided various trainings and skill as required for better operations/ management of the company affairs. Relations with the work force remained cordial through out the year.

8. Risk and Concern

Technology is changing every day and Company has yet to proof its ability to meet the customer demand with latest products and new designs

In addition to the above, external environment could also adversely impact the auto industry, like government policies, change in duty/ tax structure etc. Continuing initiatives in cost containment and observance of sound financial discipline would retain the Company's preparedness to combat such risks/ concerns and minimize/ soften their impact.

Our concentration is to develop new designs with our quality and commitments which will undoubtedly play key roles in business expansion and acquisition of new customers.

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

Sd/-
(Rama Shankar Pandey)
Chairman

Place: Gurgaon
Date: 14th August 2012



REPORT ON CORPORATE GOVERNANCE

Standards of corporate governance are mandated by the Securities and Exchange Board of India for all companies listed on Indian stock exchanges. These standards are notified under Clause 49 of the listing agreement.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is based upon a rich legacy of fair, ethical and transparent governance practices. The Company is conscious of its responsibility and is committed to high standard of Corporate Governance practices. This is reflected in the Management of the Company, which is well balanced and representing by independent and eminent personalities. The Company is complying with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges. However, on one instance, Chairman of the Audit Committee Meeting could not be present in the Annual General Meeting held on 30th August 2011.

2. BOARD OF DIRECTORS

(i) Composition of Board of Directors

As on 31st March 2012, the Board of Directors of the Company consist of 6 (Six) Directors, with a mix of Executive (1) and Non-Executive Directors (5). Out of five non-executive directors, the company had three independent directors.

The Composition of the Board of Directors as on 31st March 2012 is detailed below in the table:

| Sr. No. | Name of Directors | Category of Director |
|---------|-------------------------------|------------------------|
| 1 | Mr. Rama Shankar Pandey | Managing Director (ED) |
| 2 | Mr. Stephan Gerres | Director (NED) |
| 3 | Mr. Akhilesh Kumar Maheshwari | Director (INED) |
| 4 | Mr. Avinash Razdan Bindra | Director (INED) |
| 5 | Mr. Guido Johannes Christ | Director (INED) |
| 6 | Dr. Gunther Schmidt | Director (NED) |

Note:

- ED - Executive Director, NED - Non-Executive Director, INED - Independent Non-Executive Director

During the year, Mr. Anil Sultan was ceased from the office of an Alternate Director on 26th May 2011 since Mr. Stephan Gerres arrived in the state of Haryana where the meeting of the Board ordinarily held. Further, Mr. Anil Sultan was again appointed as an Alternate Director w.e.f. 30th May 2011 in place of Mr. Stephan Gerres.

To strengthen the Board, Mr. Avinash Razdan Bindra was also appointed as an Additional Director on 30th May 2011 who was later on regularized by the shareholders in their meeting held on 30th August 2011. On 20th September 2011, Mr. Anil Sultan, due to his preoccupation, resigned from the Board as an Alternate Director.

The tenure of Mr. Rama Shankar Pandey, as Managing Director, was only upto 31st December 2011, therefore, the Board of Directors, in their meeting held on 14th November 2011, re-appointed him as Managing Director of the Company for 3 years with effect from 1st January 2012. Further, Mr. Stephan Gerres has resigned with effect from 29th May 2012 and Mr. Christof Johannes Droste has been appointed with effect from 30th May 2012 to fill the casual vacancy as per Sec 262 of Companies Act 1956.

The directors/members present in the Board/Committee meeting elects one of them as Chairman for every Meeting of the Board/Committee.

As mandated by Clause 49, neither of the Directors are members of more than ten committees of Public Limited Companies nor Chairman of more than five committees in which they are members.

Apart from receiving sitting fee, Independent Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in the judgment of the Board may affect independence of the Director.

ii) Attendance of the Board of Directors

During the year, the Board of Directors met 4 (four) times i.e. on 30th May 2011, 10th August 2011, 14th November 2011 and 10th February 2012. The attendance of each of the Directors at the Board Meetings and at the last Annual General Meeting along with their Directorship in other Companies including Committees' position during the financial year 2011-12 is given in the below table:

| Name of the Director | No. of Directorship/Committees' Membership/Chairmanship in other Public Limited Companies | | | Board Meetings Attended | Attendance at last AGM |
|-------------------------------|---|----------|--------|-------------------------|------------------------|
| | Directorship | Chairman | Member | | |
| Mr. Rama Shankar Pandey | - | - | - | 4(4) | Yes |
| Mr. Stephan Gerres | - | - | - | 1(4) | No |
| Mr. Anil Sultan* | - | - | - | 1(4) | Yes |
| Mr. Akhilesh Kumar Maheshwari | 1 | - | - | 3(4) | No |
| Mr. Avinash Razdan Bindra | - | - | - | 4(4) | No |
| Mr. Guido Johannes Christ | - | - | - | 4(4) | N.A. |
| Dr. Gunther Schmidt | - | - | - | 1(4) | N.A. |

Note :

* Mr. Anil Sultan has resigned as an Alternate Director with effect from 20th September 2011.

III. Code for Prevention of Insider Trading Practices

In compliance with the SEBI regulations on prevention of insider trading, the Company has a Code on Insider Trading for its Directors, Management and designated Executives. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing in securities of the Company.

IV. Code of Conduct for Board Members & Senior Management Team

In compliance to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a Code of Conduct for all Board Members and Senior Management Team.

All Board Members and Senior Management Team have affirmed compliance of Code of Conduct as on 31st March 2012 and a declaration to that effect signed by Managing Director is attached and forms part of this report.

V. INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information with the Company. Further following information is regularly provided to the Board:

- Annual operating plans and budgets of the Company including any updates;
- Quarterly results of the Company;
- Minutes of meeting of audit committee and other committees of the board;
- Materially important show cause, demand, prosecution and penalty notices, if any;
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue which involves possible public or product liability claims of a substantial nature;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any;
- Significant labor problems and their proposed solutions, if any;
- Information on foreign exchange exposure and risk, if any, and the steps taken by management to limit the risk of adverse exchange rate movement;
- Non-compliance of any regulatory, statutory nature or listing requirements as well as share holder services and delays in share transfer, if any;



VI. COMMITTEE OF DIRECTORS

The Company has four committees i.e. Audit Committee, Remuneration Committee, Shareholders' Grievance Committee and Share Transfer Committee.

All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of service for committee members is taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings of the aforesaid committees held during the financial year 2011-2012 and the related attendance are provided below:

3. AUDIT COMMITTEE

(i) Brief description of terms of reference

The Board of Directors had constituted an Audit Committee, which deals in all matters relating to financial reporting and internal controls. The role and terms of reference of the Audit Committee covers the matters specified for the Audit Committee under Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956.

The functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing with the management the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on :-
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualification in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transaction i.e. transaction of the Company of material nature, with promoters of the Company, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large;
- Reviewing with the management, auditors, the adequacy of internal control systems;
- Discussion with external auditors before the audit commences, on nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies;
- Review of management discussion and analysis of financial condition and results of operations;
- Review of reports relating to compliance with laws;
- Any other item depending upon its materiality and as per decision of members of Audit Committee.

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee;
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The minutes of each Audit Committee meeting are placed before the Board for their information and noting.

(ii) Composition, name of members and Chairperson

The Composition and names of members as on 31st March 2012 are tabled below in detail:

| Sr. No. | Name of Directors | Category of Members |
|---------|-------------------------------|---------------------------|
| 1 | Mr. Rama Shankar Pandey | Executive |
| 2 | Mr. Akhilesh Kumar Maheshwari | Non-Executive Independent |
| 3 | Mr. Avinash Razdan Bindra | Non-Executive Independent |
| 4 | Mr. Guido Johannes Christ | Non-Executive Independent |

All the members of the Audit Committee are financially literate persons. The Company Secretary of the Company acts as the Secretary of the Committee.

During the year, Mr. Avinash Razdan Bindra joined the committee as member with effect from 30th May 2011. The Members present in the meetings of the Audit Committee elects Chairman of the meeting among Independent Directors

(iii) Meetings and attendance

The Audit Committee met 4 (Four) times during the financial year 2011-2012 viz. on 30th May 2011, 10th August 2011, 14th November 2011 and 10th February 2012. The attendance of the members in the aforesaid meetings is presented below:

| Name of the Member | No. of Meetings Attended (Total Meetings held : 4) |
|-------------------------------|---|
| Mr. Rama Shankar Pandey | 4 (4) |
| Mr. Akhilesh Kumar Maheshwari | 3 (4) |
| Mr. Avinash Razdan Bindra | 4 (4) |
| Mr. Guido Johannes Christ | 4 (4) |

4. REMUNERATION COMMITTEE

(i) Brief description of terms of reference

The function of the Committee includes:

- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors.
- Considering, approving and recommending to the Board the change in designation and increase in salary of the executive directors.
- Ensuring that remuneration policy is good enough to attract, retain and motivate directors.
- Determining the remuneration package with a balance in the interest of the Company and the shareholders.

The remuneration payable to the Executive Directors is reviewed, approved and recommended by the Remuneration Committee to the Board. The Board further reviews and approves it and forward for the approval for Shareholders, if required.

(ii) Composition, name of members and Chairperson

The Composition and names of members as on 31st March 2012 are tabled below in detail:

| Sr. No. | Name of Directors | Category of Members |
|---------|-------------------------------|---------------------------|
| 1 | Mr. Akhilesh Kumar Maheshwari | Non-Executive Independent |
| 2 | Mr. Avinash Razdan Bindra | Non-Executive Independent |
| 3 | Mr. Guido Johannes Christ | Non-Executive Independent |
| 4 | Dr. Gunther Schmidt | Non-Executive |
| 5 | Mr. Stephan Gerres | Non-Executive |

The Members present in this Committee meeting elects Chairman of the meeting among Independent Directors.



During the year, Mr. Avinash Razdan Bindra joined the Committee as member on 30th May 2011. To strengthen the Remuneration Committee, the Board also appointed Mr. Stephan Gerres (Non-Executive Director) as member of the Remuneration Committee on 14th November 2011. However, due to preoccupation of Mr. Stephan Gerres, he resigned from directorship on 29th May 2012 and Mr. Christof Johannes Droste joined the committee with effect from 30th May 2012.

(iii) Meetings and attendance

During the financial year 2011-2012, the Committee met only one (1) time i.e. on 14th November 2011. The members attendance at the Remuneration Committee Meetings is presented below:

| Name of the Member | No. of Meetings Attended (Total Meetings held: 1) |
|-------------------------------|--|
| Mr. Akhilesh Kumar Maheshwari | 1(1) |
| Mr. Guido Johannes Christ | 1(1) |
| Dr. Gunther Schmidt | 0(1) |
| Mr. Avinash Razdan Bindra | 1(1) |
| Mr. Stephan Gerres* | 0(1) |

* Mr. Stephan Gerres joined the committee as member with effect from 14th November 2011 after the Remuneration Committee Meeting. However, on 29th May, 2012, Mr. Stephan Gerres resigned from directorship, due to his preoccupation.

(iv) Remuneration policy

The payment of remuneration to Director(s) is governed by the respective resolutions passed at the Remuneration Committee, Board Meeting and Shareholders Meetings. The remuneration structure comprises Basic Salary, Allowances, Perquisites, Contribution to Provident Fund etc.

(v) Details of Remuneration of Directors

The Committee in its meeting held on 14th November 2011, revised the remuneration of Mr. Rama Shankar Pandey, as Managing Director, with effect from 1st January 2012 from ₹ 40,05,000/- to ₹ 63,80,000/- (including variable bonus) for the calendar year 2012. As per the requirement, the disclosure made herein below pertains to Financial Year 2011-12.

Executive Directors

Mr. Rama Shankar Pandey - Managing Director drew the following remuneration during financial year 2011-2012 (from 1st April 2011 to 31st March 2012)

(₹In lakh)

| Salary & Allowances | Monetary value of benefits (at cost) | Retainership Fees | Perquisites | Contribution to PF & Other Funds | Gratuity | Leave Encashment | Total |
|---------------------|--------------------------------------|-------------------|-------------|----------------------------------|----------|------------------|-------|
| 48.37 | 1.83 | Nil | Nil | 1.89 | Nil | Nil | 52.09 |

Note : The above remuneration of Mr. Rama Shankar Pandey is inclusive of bonus paid for the Calendar year 2011

Non-Executive Directors

The Non-Executive Directors have not drawn any remuneration from the Company, for the year ended 31st March 2012 other than sitting fee and other out-of-pocket expenses for Board and committee meetings attended by them.

5 SHAREHOLDERS' GRIEVANCE COMMITTEE

The Company has constituted a Shareholders' Grievance Committee for redressing shareholders complaints.

The Composition and names of members as on 31st March 2012 are tabled below in detail:

| Sr. No. | Name of Directors | Category of Members |
|---------|-------------------------------|---------------------------|
| 1 | Mr. Akhilesh Kumar Maheshwari | Non-Executive Independent |
| 2 | Mr. Avinash Razdan Bindra | Non-Executive Independent |
| 3 | Mr. Guido Johannes Christ | Non-Executive Independent |
| 4 | Mr. Stephan Gerres | Non-Executive |

The Members present in this Committee meeting elects Chairman of the meeting among Non - Executive Directors.



During the year, Mr. Avinash Razdan Bindra joined the Committee from 30th May 2011. Further, Mr. Rama Shankar Pandey has also joined the committee with effect from 30th May 2012 since Mr. Stephan Gerres has resigned from the Committee with effect from 29th May 2012.

Mr. Sarvesh Upadhyay, Company Secretary of the company, acts as the Compliance Officer of the Company.

During the financial year 2011-2012, the Committee met four (4) times viz. 30th May 2011, 10th August 2011, 14th November 2011 and 10th February 2012. The composition and members attendance at the committee meetings is presented below:

| Name of the Member | Category | No. of Meetings Attended (Total Meetings held: 4) |
|--|----------|--|
| Mr. Akhilesh Kumar Maheshwari | Member | 3 (4) |
| Mr. Guido Johannes Christ | Member | 4 (4) |
| Mr. Avinash Razdan Bindra | Member | 4 (4) |
| Mr. Stephan Gerres* | Member | 1 (4) |
| Mr. Anil Sultan** (Alternate Director to Mr. Stephan Gerres) | Member | 1 (4) |

Note:

* Mr. Stephan Gerres has resigned from directorship with effect from 29th May 2012.

** Mr. Anil Sultan has resigned as an Alternate Director with effect from 20th September 2011.

The Committee supervises the mechanism for redressal of investor grievances and ensures cordial investor relations. Apart from looking into redressal of shareholders' complaints e.g. transfer of shares, non-receipt of annual reports, non-receipt of dividend and allied matters, the committee performs the following functions:

- Split-up/Sub division and consolidation of shares.
- Issue of new and duplicate share certificates.
- Complaints regarding registration of Power of Attorneys, probate Letters of transmission or similar other documents.
- To look into the redressing of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specified.

The Committee also oversees the performance of the Registrar & Transfer Agents and recommends measures for the overall improvement of the quality of the investor services.

As on 1st April 2011, there was 'Nil' complaint pending and during the financial year 2011-2012, total 16 complaint were received. All the complaints were attended / resolved to the satisfaction of the complainants. Thus, as on 31st March 2012, there were 'Nil' complaints pending.

6 SHARE TRANSFER COMMITTEE

The Company has also constituted a Share Transfer Committee for transfer/transmission of the Shares of the Company.

The Composition and names of members as on 31st March 2012 are tabled below in detail:

| Sr. No. | Name of Directors | Category of Members |
|---------|-------------------------------|---------------------------|
| 1 | Mr. Akhilesh Kumar Maheshwari | Non-Executive Independent |
| 2 | Mr. Avinash Razdan Bindra | Non-Executive Independent |
| 3 | Mr. Guido Johannes Christ | Non-Executive Independent |
| 4 | Mr. Rama Shankar Pandey | Executive |

The Members present in this Committee meeting elects Chairman of the meeting among themselves.

During the year, Mr. Avinash Razdan Bindra joined the Share Transfer Committee with effect from 30th May 2011.

The Company Secretary of the Company reviews the request of transfer on fortnight basis

During the financial year 2011-2012, the Committee met one (1) times viz. 14th November 2011. The members attendance at the committee meetings is presented below:

| Name of the Member | Category | No. of Meetings Attended (Total Meetings held: 1) |
|-------------------------------|----------|--|
| Mr. Rama Shankar Pandey | Member | 1 (1) |
| Mr. Akhilesh Kumar Maheshwari | Member | 1 (1) |
| Mr. Avinash Razdan Bindra | Member | 1 (1) |
| Mr. Guido Johannes Christ | Member | 1 (1) |

7 GENERAL MEETINGS

Following are the last three Annual General Meetings of the Company:

| Financial Year | Venue | Date | Time |
|----------------|---|----------------------|------------|
| 2010-2011 | Emperors Court 1, T. G. Leisure & Resorts, Chattarpur Hills, Mehrauli, New Delhi - 110074 | 30th August, 2011 | 09:30 A.M. |
| 2009-2010 | The Daffodils Hotels, Tania Farm Complex, Chattarpur Mandir Road, New Delhi -110030. | 28th September, 2010 | 10:00 A.M. |
| 2008-2009 | Executive Club, 439, Village Shahrpur, P.O. Fatehpur Beri, New Delhi-110003. | 29th September, 2009 | 11.00 A.M. |

Special Resolution passed in the last three Annual General Meetings:

The details of special resolutions passed in the last three Annual General Meetings are as under:

| Date of AGM | Details of Special Resolution |
|----------------------|--|
| 30th August, 2011 | Nil |
| 28th September, 2010 | 1. Appointment of Mr. Rama Shankar Pandey as Managing Director at a remuneration of ₹ 12 lacs per annum 2. Revision in Remuneration of Mr. Rama Shankar Pandey - Managing Director to ₹ 40.05 lacs per annum including variable bonus of ₹ 8.55 lacs per annum and vehicle running expenses of ₹ 1.50 lacs per annum. |
| 29th September, 2009 | Alteration in Article of Association of the Company (Clause 123 - Sitting Fee to Non-Executive Directors) |

Following are the Extraordinary General Meetings held during last three years:

| Date of EGM | Venue | Time | Details of the Resolution |
|--------------------|--|------------|--|
| 19th January, 2010 | 9th Milestone, Gurgaon - Farookhnagar Road, Dhankot, Gurgaon - 122 001 | 10:00 A.M. | Conversion of External Commercial Borrowing of Euro 0.9 Million. |

During the year, no resolution was passed through Postal Ballot, in terms of the provisions of Section 192A of the Companies Act, and rules framed by Government of India being Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Also as of now, no resolution is proposed to be conducted through postal ballot.

7. DISCLOSURES

- (i) During the year, there were no transactions of material nature of the Company with the Promoters, Directors, Management, their relatives that had potential conflict with the interest of the Company at large. The related party transactions with the group companies have been disclosed in the Annual Accounts.
- (ii) There were the following instances of non-compliance by the Company, during last three years
 - In 2009 the Company made a default u/s 297 of the Companies Act, 1956. The Company and Officers in default has applied for compounding of the default and penalty of ₹ 8000/- was imposed on each defaulter by Regional Director of Ministry of Corporate Affairs which had been duly paid.
- (iii) The Company is complying with all mandatory requirements of Clause 49 of the Listing Agreement except on one occasion when Chairman of Audit Committee Meeting could not attend the Annual General Meeting held on 30th August 2011.



8. MEANS OF COMMUNICATION

The Company publishes its financial results in leading newspapers having circulation in English and Hindi language. The financial results and other important information about the company are also available on the website of the Company i.e. www.hella.co.in.

9. GENERAL SHAREHOLDERS' INFORMATION

(i) Date, Time & Venue of the Annual General Meeting:

Venue : Vyayam Shala, Vilege Jhuljhuli, P.O. Ghumanhera, New Delhi - 110073

Date & Time : 29th September 2012 at 9:30 A.M.

(ii) Financial Year: The financial year of the Company is 1st April to 31st March.

(iii) Book Closure Date: 10th September 2012 to 15th September 2012

(iv) Listing on Stock Exchanges:

The Company's equity shares are listed on:

- Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, having a Scrip code - 520026.
- The Delhi Stock Exchange Association Limited (Regional), DSE House, 3/1, Asaf Ali Road, New Delhi - 110 002, having a Scrip code - 10020.

The Demat ISIN Number in NSDL & CDSL for equity shares is INE431D01013.

The annual listing fee for the financial year 2012-2013 has been paid to the Bombay Stock Exchange Limited, Mumbai and The Delhi Stock Exchange Association Limited, New Delhi.

Registrar and Share Transfer Agents: Link Intime India Private Limited (formerly Intime Spectrum Registry Ltd.), A-40, Naraina Industrial Area, Phase-II, 2nd Floor, Near Batra Banquet Hall, New Delhi - 110028, Tel - (91) -11 41410592-94, Fax (91)- 11 41410591, E-mail: delhi@linkintime.com.

Share Transfer system: The Company has made arrangements with Link Intime India Private Limited, the common agency for share transfer and depository services. After the completion of preliminary formalities of transfer/ transmission by the Share transfer Agent, the Share Transfer Committee does the approval of transfer of shares in the physical form.

The Share Transfer Committee, constituted specifically for this purpose, meets periodically to approve the share transfer and transmission.

The Company has complied with the provisions of the requisite guidelines issued by the regulatory authorities in respect of the transfer of shares and other related matters.

(v) Stock Market Data for the period 1st April 2011 to 31st March 2012

Monthly high and low quotations traded at Bombay Stock Exchange during the financial year 2011-12.

| Month | High Price | Low Price |
|----------------|------------|-----------|
| April 2011 | 158.00 | 134.00 |
| May 2011 | 172.00 | 113.65 |
| June 2011 | 160.00 | 130.25 |
| July 2011 | 153.00 | 135.45 |
| August 2011 | 170.35 | 117.00 |
| September 2011 | 175.95 | 138.50 |
| October 2011 | 154.60 | 140.00 |
| November 2011 | 158.00 | 130.00 |
| December 2011 | 157.00 | 130.10 |
| January 2012 | 155.95 | 138.50 |
| February 2012 | 154.00 | 139.85 |
| March 2012 | 165.45 | 140.00 |

(vi) Distribution of Holding as on 31st March 2012

| Nominal Value of Shareholding in ₹ | No. of Shareholders | No. of Shares held | Amount in ₹ | % of Total |
|------------------------------------|---------------------|--------------------|-------------------|---------------|
| 1-2500 | 1,776 | 179,487 | 1,794,870 | 5.66 |
| 2501-5000 | 213 | 82,354 | 823,540 | 2.597 |
| 5001-10000 | 65 | 49,427 | 494,270 | 1.559 |
| 10001-20000 | 28 | 40,630 | 406,300 | 1.281 |
| 20001-30000 | 15 | 37,956 | 379,560 | 1.197 |
| 30001-40000 | 6 | 22,566 | 225,660 | 0.712 |
| 40001-50000 | 2 | 10,000 | 100,000 | 0.315 |
| 50001-100000 | 7 | 46,717 | 467,170 | 1.473 |
| 100001 & Above | 8 | 2,702,263 | 27,022,630 | 85.207 |
| Total | 2,120 | 3,171,400 | 31,714,000 | 100.00 |

(vii) Shareholding Pattern as on 31st March 2012

| Category | No. of Shares | % of Holding |
|--|------------------|---------------|
| A Promoters Holding | | |
| i) Promoters | | |
| - Indian | 978,263 | 30.85 |
| - Foreign | 1,617,400 | 51.00 |
| ii) Persons acting in concern | Nil | Nil |
| Sub Total | 2,595,663 | 81.85 |
| B Non - Promoters Holding | | |
| i) Institutional Investors | Nil | Nil |
| ii) Mutual Funds and U.T.I. | Nil | Nil |
| iii) Banks, Financial Institutions, Insurance Companies/Central/State Govt. Institutions/ Non Government Institution | 100 | 0.00 |
| iv) Foreign Institutional Investors | Nil | Nil |
| Sub Total | 100 | 0.00 |
| C Others | | |
| a) Bodies Corporate | 44,814 | 1.41 |
| b) Individual- i) individual shareholders holding nominal share capital upto ₹1 lakh | 437,697 | 13.80 |
| ii) individual shareholders holding nominal share capital in excess of ₹1 lakh | 82,120 | 2.59 |
| c) Any other (Please specify) | | |
| -Directors & their relatives | Nil | Nil |
| -NRIs | 5,567 | 0.18 |
| -Clearing members | Nil | 0.00 |
| -Hindu Undivided Families | 5,439 | 0.17 |
| Sub Total | 575,637 | 18.15 |
| Grand Total (A+B+C) | 3,171,400 | 100.00 |

(viii) Dematerialization of shares and liquidity

The shares of the Company have already been inducted in dematerialization on NSDL & CDSL. The Tripartite Agreements with CDSL & NSDL have been executed on 3rd May 2001 & 27th June 2001, respectively. As on 31st March 2012, 1285261 equity share capital of the Company representing 40.53% of the total paid up equity share capital of the Company are in dematerialized mode.

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments, which are pending for conversion.

(ix) Location of Manufacturing units

The Company's plant is located at Ambala Chandigarh Highway, Derabassi - 140507, District Mohali, Punjab.

The Company's Manufacturing unit is located at Khewat Number 240/220, Kila Number 17/6, Badshahi Road, Surat Nagar - II, Gurgaon, Haryana - 122001.



(x) Address of Registered Office of the Company.

The Company's Registered Office is situated at B-13, Badarpur Extension, New Delhi - 110 044.

(xi) Address for Correspondence.

Correspondence by the shareholders should be addressed to:

Link Intime India Private Limited
(formerly Intime Spectrum Registry Limited)
A-40, 2nd Floor, Naraina Industrial Area, Phase - II,
Near Batra Banquet Hall, New Delhi - 110 028

OR

Company Secretary,
Hella India Lighting Limited,
6th Floor, Platinum Tower, 184, Udyog Vihar,
Phase-I, Gurgaon -122016, Haryana

10. DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

I, Rama Shankar Pandey - Managing Director of Hella India Lighting Limited hereby declare that all Board Members and Senior Management Team have affirmed compliance of the Code of Conduct during the year 2011-2012.

Place: Gurgaon
Date: 14th August 2012

Sd/-
Rama Shankar Pandey
Managing Director

11. CEO & CFO DECLARATION

We, Rama Shankar Pandey - Managing Director of the company and Mr. Narender Jain - Manager Finance of the company hereby certify that:

- (a) We have reviewed the financial result for the quarter and year ended on 31st March 2012 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct;
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
- (d) We have indicated to the auditors and the Audit committee:
 - (i) Significant change in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Hella India Lighting Limited

Place: Gurgaon
Date: 30th May 2012

Sd/-
(Rama Shankar Pandey)
Managing Director

Sd/-
(Narender Jain)
Manager Finance



12. CERTIFICATE ON CORPORATE GOVERNANCE

The certificate on corporate governance has been obtained from Practicing Company Secretary and form part of this report.

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF HELLA INDIA LIGHTING LIMITED

We have examined the compliance of conditions of Corporate Governance by Hella India Lighting Limited for the year ended March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange (s).

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

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

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

**For J.K. Gupta & Associates
(Company Secretaries)**

Sd/-

**Jitesh Gupta
(Proprietor)**

**FCS No.: 3978
C.P. No.: F 2448**

Date : 14th August, 2012
Place : Delhi



AUDITORS' REPORT

To the Members of
Hella India Lighting Limited

1. We have audited the attached Balance Sheet of Hella India Lighting Limited ('the Company') as at 31 March 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - (c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the Directors of the Company as on 31 March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) Without qualifying our opinion, attention is invited to note 39 of the financial statements wherein it is stated that the Company has decided not to consolidate the financial statements of its wholly owned subsidiary, M/s Bitoni Lamps Ltd. According to the management, based on its correspondence with the Registrar of Companies (ROC), it is of the opinion that the dissolution and striking off of this company by the ROC is imminent. The Listing Agreement of the company with the stock exchange compulsorily requires the Company to prepare consolidated financial statements. However, according to management, not consolidating this subsidiary does not have a material impact on the results of the Company as compared to the stand alone results of the Company;
 - (g) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31 March 2012;
 - ii) in the case of the Statement of Profit and Loss, of the profit/(loss) for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For B S R & Co.
Chartered Accountant
Firm Registration No. 101248W

Sd/-
Jiten Chopra
Partner
Membership No. 092894

Place: Gurgaon
Date: 30 May 2012



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years, except certain assets which are verified on the basis of third party confirmations. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, certain fixed assets were verified during the current year and no material discrepancies noticed on such verification.
(c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
2. (a) Inventories, except goods-in-transit and stock lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained.
(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register required under section 301 of the Companies Act, 1956. Accordingly, paragraph 4(iii) of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories and fixed assets are for the Company's specialised requirements and similarly certain goods sold are for the specialised requirements of the buyers and therefore suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods. As informed to us, the Company does not provide any services. We have not observed any major weakness in the internal control system during the course of the audit.
5. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4(v) (b) of the Order is not applicable.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including, Customs duty, Excise duty, Income tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. *Undisputed statutory dues on account of Service tax has generally been regularly deposited with the appropriate authorities, though there have been slight delays in few cases. Undisputed statutory dues on account of Provident Fund, Employee's State Insurance and Sales-tax have not generally been regularly deposited with the appropriate authorities, though the delays in deposit have not been serious.* As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund and Wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and other material statutory dues were in arrears as at 31 March 2012 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no disputed dues of Customs duty, Sales tax, Excise duty, and Service tax. According to the information and explanations given to us, the following dues of Income tax have not been deposited by the Company on account of disputes:

| Name of the Statute | Nature of dues | Amount* (Rs.) | Assessment Year | Forum where the dispute is pending |
|----------------------------|---|--------------------------|----------------------------|---|
| Income tax Act, 1961 | Disallowance for foreign exchange fluctuation | 3,129,228 | 2001-02 | Hon'ble High Court of Delhi |
| Income tax Act, 1961 | Disallowance for foreign exchange fluctuation | 3,958,969 | 2004-05 | Hon'ble High Court of Delhi |

* As per demand orders

10. As at 31 March 2012, the accumulated losses of the company are not more than fifty percent of its net worth. *The Company has incurred cash losses in the current and immediately preceding financial year.*
11. The Company did not have any outstanding dues to financial institutions or bank or outstanding debentures during the year.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company did not have any term loans outstanding during the period.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the Company has not used funds raised on short term basis for long term investment.
18. As stated above, there are no companies/firms/parties covered in the register required to be maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co.
Chartered Accountant
Firm Registration No. 101248W

Sd/-
Jiten Chopra
Partner
Membership No. 092894

Place: Gurgaon
Date: 30 May 2012

HELLA INDIA LIGHTING LIMITED



BALANCE SHEET AS AT 31 MARCH 2012

(All amounts are in Rupees)

| | Note No. | As at 31 March 2012 | As at 31 March 2011 |
|--------------------------------|----------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 146,077,000 | 146,077,000 |
| Reserve and surplus | 4 | 147,380,776 | 179,000,908 |
| | | <u>293,457,776</u> | <u>325,077,908</u> |
| Non Current Liabilities | | | |
| Other long term liabilities | 5 | 900,756 | 730,756 |
| Long term provisions | 6 | 6,351,566 | 5,089,479 |
| | | <u>7,252,322</u> | <u>5,820,235</u> |
| Current Liabilities | | | |
| Trade Payables | 7 | 119,914,530 | 110,278,249 |
| Other current liabilities | 8 | 16,015,817 | 24,132,662 |
| Short term provisions | 9 | 4,415,460 | 10,811,194 |
| | | <u>140,345,807</u> | <u>145,222,105</u> |
| | | <u>441,055,905</u> | <u>476,120,248</u> |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed assets | | | |
| Tangible Assets | 10 | 38,178,190 | 72,507,369 |
| Capital work in progress | | 952,500 | 410,000 |
| | | <u>39,130,690</u> | <u>72,917,369</u> |
| Non-current Investments | 11 | 10,000,000 | 5,000,000 |
| Long term loans and advances | 12 | 3,614,432 | 2,716,547 |
| Other non-current assets | 13 | 4,607,753 | 2,150,977 |
| | | <u>57,352,875</u> | <u>82,784,893</u> |
| Current Assets | | | |
| Inventories | 14 | 71,273,414 | 60,679,411 |
| Trade Receivables | 15 | 94,120,078 | 69,970,456 |
| Cash and bank balance | 16 | 208,824,394 | 255,023,971 |
| Short term loan and advances | 17 | 5,342,398 | 6,727,638 |
| Other current assets | 18 | 4,142,746 | 933,879 |
| | | <u>383,703,030</u> | <u>393,335,355</u> |
| | | <u>441,055,905</u> | <u>476,120,248</u> |

The notes referred to above form an integral part of the financial statement

As per our report of even date

For **B S R & Co.**

Chartered Accountants

Firm Registration No. 101248W

For and on behalf of the Board of Directors

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 30.05.2012

Sd/-
Rama Shankar Pandey
Managing Director
Place: Gurgaon
Date: 30.05.2012

Sd/-
Christof Johannes Droste
Director
Place: Gurgaon
Date: 30.05.2012

Sd/-
Sarvesh Upadhyay
Company Secretary
Place: Gurgaon
Date: 30.05.2012

HELLA INDIA LIGHTING LIMITED



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2012

(All amounts are in Rupees)

| | Note No. | Year Ended 31 March 2012 | Year Ended 31 March 2011 |
|---|----------|-----------------------------|-----------------------------|
| Revenue from Operations | | | |
| Sale of Product | | 652,419,409 | 532,575,040 |
| Other operating revenue | 19 | 2,201,439 | 2,373,239 |
| | | 654,620,848 | 534,948,279 |
| Less: Excise Duty | | 68,875,976 | 51,845,098 |
| | | 585,744,872 | 483,103,181 |
| Other income | 20 | 37,518,582 | 27,739,034 |
| Total | | 623,263,454 | 510,842,215 |
| Expenses | | | |
| Cost of material consumed | 21 | 397,387,213 | 324,821,704 |
| Changes in inventories of finished goods and work-in-progress | 22 | (507,734) | 683,177 |
| Employee benefit expenses | 23 | 57,313,448 | 41,315,630 |
| Finance cost | 24 | 918,025 | 4,723,129 |
| Depreciation and amortisation expense | 10 | 14,290,182 | 21,091,923 |
| Other expenses | 25 | 185,408,452 | 140,702,588 |
| Total Expenses | | 654,809,586 | 533,338,151 |
| Profit/(loss) before exceptional item and tax | | (31,546,132) | (22,495,936) |
| Exceptional item | | — | 352,590,929 |
| Profit/(loss) after exceptional item but before tax | | (31,546,132) | 330,094,993 |
| Tax Expense | | | |
| Current tax | | 74,000 | 73,628,000 |
| Profit for the year | | (31,620,132) | 256,466,993 |
| Earning per equity share (face value Rs 10 each) | | | |
| -Basic and diluted | 33 | (9.97) | 80.87 |

The notes referred to above form an integral part of the financial statement

As per our report of even date

For **B S R & Co.**

Chartered Accountants

Firm Registration No. 101248W

For and on behalf of the Board of Directors

Sd/-

Jiten Chopra

Partner

Membership No: 092894

Place: Gurgaon

Date: 30.05.2012

Sd/-

Rama Shankar Pandey

Managing Director

Place: Gurgaon

Date: 30.05.2012

Sd/-

Christof Johannes Droste

Director

Place: Gurgaon

Date: 30.05.2012

Sd/-

Sarvesh Upadhyay

Company Secretary

Place: Gurgaon

Date: 30.05.2012



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

(All amounts are in Rupees)

| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---|-----------------------------|-----------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| PROFIT/ (LOSS) BEFORE TAX | (31,546,132) | 330,094,993 |
| ADJUSTMENTS FOR : | | |
| Depreciation | 14,290,182 | 21,091,923 |
| Liabilities and provisions no longer required written back | (11,680,000) | (21,445,533) |
| Interest expense | 918,025 | 4,723,129 |
| Interest income | (19,960,741) | (5,256,858) |
| Unrealised foreign exchange fluctuations (net) | 24,244 | 134,318 |
| Loss/ (Profit) on sale of fixed assets | 85,659 | (182,517) |
| Exceptional item | — | (352,590,929) |
| Provision for doubtful debts | 1,247,400 | 1,343,821 |
| Provision for doubtful advances | 367,596 | 4,068,802 |
| Provision for Impairment loss | 42,400,000 | — |
| Bad debts written off | — | 986,493 |
| Fixed assets written off | — | 9,370,999 |
| Advances written off | 394,781 | 92,750 |
| OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES | (3,458,986) | (7,568,609) |
| ADJUSTMENTS FOR : | | |
| Decrease/(Increase) in inventories | (10,594,003) | (8,665,725) |
| Decrease/(Increase) in trade receivables | (25,190,220) | (24,200,596) |
| Decrease/(Increase) in short term loans and advances | 1,283,594 | (120,869) |
| Decrease/(Increase) in other current assets | (101,278,668) | — |
| Decrease/(Increase) in long term loans and advances | (1,558,616) | 1,514,116 |
| Decrease/(Increase) in other non-current assets | (87,720) | (41,629) |
| Increase/(decrease) in long term provisions | 1,262,087 | 1,443,807 |
| Increase/(decrease) in other long term liabilities | 170,000 | 38,789 |
| Increase/(decrease) in trade payables | 21,085,236 | (13,970,978) |
| Increase/(decrease) in short term provisions | 4,203,231 | 212,229 |
| Increase/(decrease) in other current liabilities | 1,319,281 | 2,140,126 |
| CASH GENERATED FROM / (USED IN) OPERATIONS | (112,844,786) | (49,219,339) |
| Taxes paid on operating activities | (2,443,056) | 4,661 |
| NET CASH FROM / (USED IN) OPERATING ACTIVITIES (A) | (115,287,842) | (49,214,678) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets including capital work-in-progress | (20,033,116) | (6,292,020) |
| Purchase of Investments | (5,000,000) | (5,000,000) |
| Sale of fixed assets including capital work-in-progress | 55,529 | 492,035,898 |
| Interest received | 16,751,874 | 4,322,979 |
| CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES | (8,225,713) | 485,066,857 |
| Taxes paid on investing activities | (10,598,965) | (63,029,035) |
| NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B) | (18,824,678) | 422,037,822 |

HELLA INDIA LIGHTING LIMITED



| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---|-----------------------------|-----------------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of secured loans | — | (25,043) |
| Proceeds/(repayments) from/of unsecured loans | — | (119,009,834) |
| Interest paid | (13,365,725) | (4,723,129) |
| NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C) | (13,365,725) | (123,758,006) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C) | (147,478,245) | 249,065,138 |
| Cash and cash equivalents at the beginning of period | 255,023,971 | 5,958,833 |
| Cash and cash equivalents at the end of period (refer note 16) | 107,545,726 | 255,023,971 |

1. The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard 3 "Cash Flow Statement".

As per our report of even date

For **B S R & Co.**

Chartered Accountants

Firm Registration No. 101248W

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 30.05.2012

Sd/-
Rama Shankar Pandey
Managing Director
Place: Gurgaon
Date: 30.05.2012

Sd/-
Christof Johannes Droste
Director
Place: Gurgaon
Date: 30.05.2012

Sd/-
Sarvesh Upadhyay
Company Secretary
Place: Gurgaon
Date: 30.05.2012

HELLA INDIA LIGHTING LIMITED



Notes to financial statement

(All amounts are in Rupees)

| | As at 31 March 2012 | As at 31 March 2011 |
|--|---------------------|---------------------|
| Note 3 | | |
| Share capital | | |
| Authorized | | |
| Equity shares, Rs. 10/- par value | | |
| 3,500,000 (previous year 3,500,000) equity shares | 35,000,000 | 35,000,000 |
| Preference shares, Rs. 100/- par value | | |
| 2,150,000 (previous year 2,150,000) 0.0000001% non-convertible, non-cumulative, redeemable preference shares | 215,000,000 | 215,000,000 |
| | <u>250,000,000</u> | <u>250,000,000</u> |
| Issued, subscribed and paid-up | | |
| Equity shares | | |
| 3,171,400 (previous year 3,171,400) equity shares of Rs. 10 each fully paid up. | 31,714,000 | 31,714,000 |
| Preference shares | | |
| 1,143,630 (previous year 1,143,630) 0.0000001% preference shares of Rs. 100 each fully paid up. | 114,363,000 | 114,363,000 |
| | <u>146,077,000</u> | <u>146,077,000</u> |

1) Rights, preferences and restrictions

Equity shares

Each holder of equity shares is entitled one vote per share.

The Company declares and pays dividend, if any, in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the 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.

Preference shares

Preference shares issued by the Company are non-convertible, non-cumulative, non participating and redeemable.

Preference shareholders are not entitled to vote.

Preference shareholders are entitled to 0.0000001% dividend.

Preference shareholders have preference over equity shareholders for the payment of dividend and repayment of capital, in the event of liquidation of the Company.

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

| | As at 31 March 2012 | | As at 31 March 2011 | |
|--|---------------------|-------------|---------------------|-------------|
| | No. of shares | Amount | No. of shares | Amount |
| Equity shares | | | | |
| Balance at the beginning and end of the year | 3,171,400 | 31,714,000 | 3,171,400 | 31,714,000 |
| Preference shares | | | | |
| Balance at the beginning and end of the year | 1,143,630 | 114,363,000 | 1,143,630 | 114,363,000 |

HELLA INDIA LIGHTING LIMITED



3) Shares held by the holding, ultimate holding and/or subsidiary/associates

| | As at 31 March 2012 | | As at 31 March 2011 | |
|--|---------------------|--------------------|---------------------|--------------------|
| | No. of shares | Amount | No. of shares | Amount |
| Equity Shares | | | | |
| Reinhold Poersch GmbH, Germany, the holding company | 1,617,400 | 16,174,000 | 1,617,400 | 16,174,000 |
| Hella India Electronics Pvt. Ltd., a fellow subsidiary | 978,263 | 9,782,630 | 978,263 | 9,782,630 |
| Total | 2,595,663 | 25,956,630 | 2,595,663 | 25,956,630 |
| Preference shares | | | | |
| Reinhold Poersch GmbH, Germany, the holding company | 1,143,630 | 114,363,000 | 1,143,630 | 114,363,000 |
| Total | 1,143,630 | 114,363,000 | 1,143,630 | 114,363,000 |

The ultimate holding company of the Company is Hella KGaA Hueck & Co., Germany.

4) The details of shareholders holding more than 5% shares is as follows

| | As at 31 March 2012 | | As at 31 March 2011 | |
|----------------------------------|---------------------|--------------|---------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Equity shares | | | | |
| Reinhold Poersch GmbH Germany | 1,617,400 | 51.00 | 1,617,400 | 51.00 |
| Hella India Electronics Pvt. Ltd | 978,263 | 30.85 | 978,263 | 30.85 |
| Preference shares | | | | |
| Reinhold Poersch GmbH Germany | 1,143,630 | 100.00 | 1,143,630 | 100.00 |

5) 13,000 (previous year 13,000) equity shares have been allotted as fully paid up bonus shares by capitalisation of reserves in earlier years.

6) The preference share are redeemable at par at any time after five years but prior to the expiry of twenty years from the date of allotment. 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.

Note 4

Reserves and surplus

| | As at 31 March 2012 | As at 31 March 2011 |
|--|---------------------|---------------------|
| Capital reserve | | |
| Balance at the beginning and end of the year | 1,756,311 | 1,756,311 |
| Revaluation reserve | | |
| Balance at the beginning and end of the year | 2,494,752 | 2,494,752 |
| Capital redemption reserve | | |
| Balance at the beginning and end of the year | 100,000 | 100,000 |
| Securities premium reserve | | |
| Balance at the beginning and end of the year | 295,249,220 | 295,249,220 |
| Surplus | | |
| Balance at the beginning of the year | (120,599,375) | (377,066,368) |
| Add: profit/(loss) for the year | (31,620,132) | 256,466,993 |
| Balance at the end of the year | (152,219,507) | (120,599,375) |
| | <u>147,380,776</u> | <u>179,000,908</u> |

HELLA INDIA LIGHTING LIMITED



| | As at 31 March 2012 | As at 31 March 2011 |
|--|---------------------|---------------------|
| Note 5 | | |
| Other long term liabilities | | |
| Others | | |
| Security deposit from dealers | 900,756 | 730,756 |
| | <u>900,756</u> | <u>730,756</u> |
| Note 6 | | |
| Long term Provisions | | |
| Provisions for Employee Benefits | | |
| Gratuity (refer to note 28) | 3,882,658 | 3,169,709 |
| Leave encashment | 2,468,908 | 1,919,770 |
| | <u>6,351,566</u> | <u>5,089,479</u> |
| Note 7 | | |
| Trade Payables | | |
| Trade Payables | | |
| - total outstanding dues of micro and small enterprises (refer to note 29) | 16,459,604 | 12,747,018 |
| - total outstanding dues of creditors other than micro and small enterprises | 103,454,926 | 97,531,231 |
| | <u>119,914,530</u> | <u>110,278,249</u> |
| Note 8 | | |
| Other current liabilities | | |
| Interest accrued and due on borrowings | — | 12,447,700 |
| Payable to employees | 4,787,915 | 3,069,337 |
| Other Payables | | |
| - Statutory Liabilities | 5,248,536 | 5,619,350 |
| - Advance from customers | 841,216 | 869,699 |
| - Capital Creditors | 5,138,150 | 2,126,576 |
| | <u>16,015,817</u> | <u>24,132,662</u> |
| Note 9 | | |
| Short term provisions | | |
| Provision for employees benefit | | |
| Gratuity | 74,673 | 143,701 |
| Leave encashment | 79,796 | 68,528 |
| Others | | |
| Provision for Export obligations under EPCG License | 4,260,991 | — |
| Provision for income tax | — | 10,598,965 |
| | <u>4,415,460</u> | <u>10,811,194</u> |



Notes to financial statement
(All amounts are in Rupees)

Note 10

Tangible Assets

| Particulars | Gross Block | | | Depreciation | | | | Net Block | | |
|------------------------|--------------------|--|------------------------------------|---------------------|--------------------|---------------------|--------------------|------------------------------------|---------------------|---------------------|
| | As at 1 April 2011 | Additions/ adjustments during the year | Sales/ Adjustments during the year | As at 31 March 2012 | As at 1 April 2011 | Charge For the year | Loss on Impairment | Sales/ Adjustments during the year | As at 31 March 2012 | As at 31 March 2011 |
| Land (Freehold) | 118,322 | — | — | 118,322 | — | — | — | — | 118,322 | 118,322 |
| Buildings | 7,851,268 | 8,175,599 | — | 16,026,867 | 3,016,097 | 519,911 | 6,789,966 | — | 5,700,893 | 4,835,171 |
| Leasehold improvements | 1,155,357 | 490,201 | — | 1,645,558 | 1,155,357 | 70,714 | — | — | 419,487 | — |
| Plant and equipment | 86,985,384 | 9,254,765 | — | 96,240,149 | 28,973,991 | 9,422,803 | 31,059,332 | — | 26,784,024 | 58,011,393 |
| Vehicles | 3,053,315 | — | 177,200 | 2,876,115 | 2,325,498 | 416,251 | 98,074 | 46,050 | 82,342 | 727,817 |
| Furniture and fixtures | 3,812,588 | 1,823,176 | 79,477 | 5,556,287 | 1,374,793 | 744,357 | 1,831,219 | 69,439 | 1,675,358 | 2,437,795 |
| Office equipment | 1,355,698 | 479,827 | — | 1,835,525 | 613,625 | 206,454 | 400,282 | — | 615,164 | 742,073 |
| Others | 11,860,547 | 2,278,623 | — | 14,139,170 | 6,225,749 | 2,909,693 | 2,221,128 | — | 2,782,600 | 5,634,798 |
| Total | 116,192,479 | 22,502,190 | 256,677 | 138,437,992 | 43,685,110 | 14,290,182 | 42,400,000 | 115,489 | 38,178,190 | 72,507,369 |

Previous Year

| Particulars | Gross Block | | | Depreciation | | | | Net Block | | |
|------------------------|--------------------|--|------------------------------------|---------------------|--------------------|---------------------|--------------------|------------------------------------|---------------------|---------------------|
| | As at 1 April 2010 | Additions/ adjustments during the year | Sales/ Adjustments during the year | As at 31 March 2011 | As at 1 April 2010 | Charge For the year | Loss on Impairment | Sales/ Adjustments during the year | As at 31 March 2011 | As at 31 March 2010 |
| Land (Freehold) | 27,741,765 | — | 27,623,443 | 118,322 | — | — | — | — | 118,322 | 27,741,765 |
| Buildings | 4,140,684 | 3,710,584 | — | 7,851,268 | 2,623,558 | 392,539 | — | — | 4,835,171 | 1,517,126 |
| Leasehold improvements | 1,155,357 | — | — | 1,155,357 | 1,155,357 | — | — | — | — | — |
| Plant and equipment | 71,741,783 | 28,140,100 | 12,896,499 | 86,985,384 | 18,634,434 | 15,475,137 | — | 5,135,580 | 58,011,393 | 53,107,349 |
| Vehicles | 3,053,315 | — | — | 3,053,315 | 1,180,956 | 1,144,542 | — | — | 727,817 | 1,872,359 |
| Furniture and fixtures | 2,573,124 | 1,239,464 | — | 3,812,588 | 927,072 | 447,721 | — | — | 2,437,795 | 1,646,052 |
| Office equipment | 1,102,520 | 330,983 | 77,805 | 1,355,698 | 450,659 | 231,437 | — | 68,471 | 742,073 | 651,861 |
| Others | 10,921,682 | 938,865 | — | 11,860,547 | 2,825,202 | 3,400,547 | — | — | 5,634,798 | 8,096,480 |
| Total | 122,430,230 | 34,359,996 | 40,597,747 | 116,192,479 | 27,797,238 | 21,091,923 | — | 5,204,051 | 43,685,110 | 94,632,992 |

HELLA INDIA LIGHTING LIMITED



Notes to financial statement

(All amounts are in Rupees)

| | As at 31 March 2012 | As at 31 March 2011 |
|---|---------------------|---------------------|
| Note 11 | | |
| Non current Investments | | |
| Long term Investment - at cost | | |
| Trade - unquoted | | |
| Investment in Equity Instrument | | |
| Wegu Sondhi Private Ltd. 11,000 (previous year 11,000) equity shares of face value Rs. 10 each, fully paid up | 110,000 | 110,000 |
| Less: Provision for other than temporary diminution in value of investment | 110,000 | 110,000 |
| | <u>—</u> | <u>—</u> |
| Others - unquoted | | |
| Investment in Equity Instruments | | |
| In subsidiaries | | |
| Bitoni Lamps Limited 32,900 (previous year 32,900) equity shares of face value Rs. 10 each, fully paid up | 334,252 | 334,252 |
| Chetan Genthe and Co. Pvt. Ltd. 6,992 (previous year 6,992) equity shares of face value Rs. 100 each, fully paid up | 618,048 | 618,048 |
| | 952,300 | 952,300 |
| Less: Provision for other than temporary diminution in value of investment | 952,300 | 952,300 |
| | <u>—</u> | <u>—</u> |
| Other non current investments | | |
| National Highways Authority of India 1000 (previous year 500) Non convertible redeemable taxable bonds of face value Rs. 10,000 each carrying interest @ 6% | 10,000,000 | 5,000,000 |
| | 10,000,000 | 5,000,000 |
| Aggregate amount of Unquoted Investments | 11,062,300 | 6,062,300 |
| Less: Aggregate amount of Provision for other than temporary diminution in value of investment | 1,062,300 | 1,062,300 |
| | <u>10,000,000</u> | <u>5,000,000</u> |
| Note 12 | | |
| Long term loans and advances (unsecured, considered good unless stated otherwise) | | |
| Capital Advance | | |
| Considered good | 1,331,476 | 514,891 |
| Considered doubtful | 460,731 | — |
| Less: Provision for doubtful advances | 460,731 | 514,891 |
| | <u>1,331,476</u> | <u>—</u> |
| Security Deposits | 2,282,956 | 2,201,656 |
| Loans and advances to related parties | | |
| Amount due from subsidiaries | | |
| Considered good | — | — |
| Considered doubtful | 3,265,823 | 3,265,823 |
| Less: Provision for doubtful advances | 3,265,823 | 3,265,823 |
| | <u>—</u> | <u>—</u> |
| | <u>3,614,432</u> | <u>2,716,547</u> |

HELLA INDIA LIGHTING LIMITED



Notes to financial statement

(All amounts are in Rupees)

| | As at 31 March 2012 | As at 31 March 2011 |
|---|---------------------|---------------------|
| Note 13 | | |
| Other non-current assets | | |
| Others | | |
| Balance with bank held as margin money | 712,691 | 624,971 |
| Advance tax | 3,895,062 | 1,526,006 |
| | <u>4,607,753</u> | <u>2,150,977</u> |
| Note 14 | | |
| Inventories (refer to note 2 (viii)) | | |
| Raw material (includes Goods in transit Rs. 11,191,683 (previous year Rs. 8,927,515)) | 46,872,166 | 36,769,771 |
| Work in progress | 4,430,813 | 4,325,259 |
| Finished goods | 19,069,948 | 18,263,651 |
| Stores and spares | 900,487 | 1,320,730 |
| | <u>71,273,414</u> | <u>60,679,411</u> |
| Note 15 | | |
| Trade Receivables (Unsecured) | | |
| Outstanding for a period exceeding six months from the date these are due for payment | | |
| Considered good | — | 86,544 |
| Considered doubtful | 2,004,846 | 7,551,799 |
| Less: Provision for doubtful debt | 2,004,846 | 7,551,799 |
| | <u>—</u> | <u>86,544</u> |
| Other debts | | |
| Considered good | 94,120,078 | 69,883,912 |
| | <u>94,120,078</u> | <u>69,970,456</u> |
| Note 16 | | |
| Cash and bank balances | | |
| Cash and cash equivalents | | |
| Cash in hand | 135,837 | 127,417 |
| Balances with banks | | |
| Current accounts | 16,314,513 | 4,896,554 |
| Fixed deposit accounts (original maturity of 3 months or less) | 91,095,376 | 250,000,000 |
| Other bank balance | | |
| Fixed deposit accounts | 101,278,668 | — |
| | <u>208,824,394</u> | <u>255,023,971</u> |

HELLA INDIA LIGHTING LIMITED



Notes to financial statement

(All amounts are in Rupees)

| | As at 31 March 2012 | As at 31 March 2011 |
|--|---------------------|---------------------|
| Note 17 | | |
| Short term loans and advances | | |
| (unsecured, considered good unless stated otherwise) | | |
| Others | | |
| Advance to suppliers | | |
| Considered good | 1,881,249 | 1,627,171 |
| Considered doubtful | 1,576,471 | 1,669,606 |
| Less: Provision for doubtful advances | 1,576,471 | 1,669,606 |
| | <u>1,881,249</u> | <u>1,627,171</u> |
| Balances with excise authorities | | |
| Considered good | 1,957,171 | 3,346,165 |
| Considered doubtful | 4,491,608 | 4,491,608 |
| Less: Provision for doubtful advances | 4,491,608 | 4,491,608 |
| | <u>1,957,171</u> | <u>3,346,165</u> |
| Prepaid expenses | 866,260 | 626,684 |
| Other advances | 637,718 | 1,127,618 |
| | <u>5,342,398</u> | <u>6,727,638</u> |
| Note 18 | | |
| Other Current Assets | | |
| Interest accrued but not due | 4,142,746 | 933,879 |
| | <u>4,142,746</u> | <u>933,879</u> |

HELLA INDIA LIGHTING LIMITED



Notes to financial statement

(All amounts are in Rupees)

| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|--|-----------------------------|-----------------------------|
| Note 19 | | |
| Other operating revenues | | |
| Scrap Sale | 2,201,439 | 2,373,239 |
| | <u>2,201,439</u> | <u>2,373,239</u> |
| Note 20 | | |
| Other income | | |
| Interest | 19,960,741 | 5,256,858 |
| Profit on sale of fixed assets (net) | — | 182,517 |
| Liabilities and provisions no longer required written back | 11,680,000 | 21,445,533 |
| Exchange fluctuation (net) | 373,728 | — |
| Income tax refund | 2,232,510 | — |
| Miscellaneous income | 3,271,603 | 854,126 |
| | <u>37,518,582</u> | <u>27,739,034</u> |
| Note 21 | | |
| Cost of material consumed | | |
| Raw Material and Components | | |
| Opening stock | 36,769,771 | 27,683,233 |
| Add: Purchases | 407,489,608 | 333,908,242 |
| Less: Closing stock | 46,872,166 | 36,769,771 |
| | <u>397,387,213</u> | <u>324,821,704</u> |
| Note 22 | | |
| Changes in inventories of finished goods and work-in-progress | | |
| Opening Stock | | |
| Finished Goods | 18,263,651 | 19,443,281 |
| Work in progress | 4,325,259 | 3,758,329 |
| | <u>22,588,910</u> | <u>23,201,610</u> |
| Less: Closing Stock | | |
| Finished Goods | 19,069,948 | 18,263,651 |
| Work in progress | 4,430,813 | 4,325,259 |
| | <u>23,500,761</u> | <u>22,588,910</u> |
| Increase/(decrease) in excise duty on stock of finished goods | (911,851) | 612,700 |
| | <u>404,117</u> | <u>70,477</u> |
| | <u>(507,734)</u> | <u>683,177</u> |
| Note 23 | | |
| Employee benefit expenses | | |
| Salaries and wages | 49,176,976 | 36,683,184 |
| Contribution to provident and other funds | 2,691,687 | 2,052,807 |
| Staff welfare expenses | 5,444,785 | 2,579,639 |
| | <u>57,313,448</u> | <u>41,315,630</u> |

HELLA INDIA LIGHTING LIMITED



Notes to financial statement

(All amounts are in Rupees)

| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---|-----------------------------|-----------------------------|
| Note 24 | | |
| Finance cost | | |
| Interest expenses | 918,025 | 4,723,129 |
| | <u>918,025</u> | <u>4,723,129</u> |
| Note 25 | | |
| Other expenses | | |
| Consumption of Stores and spares | 23,171,017 | 18,146,211 |
| Power and fuel | 10,298,484 | 8,124,844 |
| Travelling and conveyance | 14,557,316 | 10,840,519 |
| Freight outward | 21,144,228 | 16,881,598 |
| Contractual manpower | 17,763,719 | 15,524,966 |
| Legal and professional charges | 6,099,761 | 17,049,211 |
| Auditor's Remuneration | | |
| Statutory audit fees | 1,300,000 | 1,300,000 |
| Tax audit fees | 120,000 | 120,000 |
| Other matters | 500,000 | 500,000 |
| Out of pocket expenses | 160,000 | 140,000 |
| Rent | 4,174,280 | 3,315,431 |
| Rates and taxes (excluding taxes on income) | 8,149,084 | 6,916,084 |
| Insurance | 1,010,302 | 643,237 |
| Repairs and maintenance : | | |
| on buildings | 523,971 | 843,763 |
| on plant and machinery | 1,532,123 | 1,206,448 |
| on others | 9,983,737 | 9,047,340 |
| Vehicle running and maintenance | 1,055,021 | 511,640 |
| Printing and stationery | 685,161 | 621,513 |
| Telephone expenses | 3,054,926 | 2,863,130 |
| Bank charges | 313,315 | 552,244 |
| Exchange fluctuation (net) | — | 523,120 |
| Bad debts | — | 986,493 |
| Provision for doubtful debts | 1,247,400 | 1,343,821 |
| Provision for doubtful advances | 367,596 | 4,068,802 |
| Provision for impairment of assets | 42,400,000 | — |
| Loss on sales of fixed asset | 85,659 | — |
| Advances written off | 394,781 | 92,750 |
| Fixed assets written off | — | 9,370,999 |
| Advertisement and sales promotion | 10,314,127 | 6,389,253 |
| Miscellaneous expenses | 5,002,444 | 2,779,173 |
| | <u>185,408,452</u> | <u>140,702,590</u> |



(All amounts are in Rupees)

Notes forming part of the financial statements

1. Basis of preparation

The financial statements are prepared under the historical cost convention on the accrual basis of accounting, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and comply with the accounting standards, as prescribed by the Companies (Accounting Standards) Rules, 2006, and the provisions of the Companies Act, 1956, to the extent applicable, as adopted consistently by the Company. The financial statements have been prepared in Indian rupees.

The financial statements for the year ended 31 March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31 March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. Such reclassification of previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

2. Significant Accounting Policies

i) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include estimated provision for doubtful debts, future obligations under employee retirement benefit plans and estimated useful life of fixed assets. Differences between actual results and estimates are recognised in the year in which the actual results are known or materialised. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

ii) Fixed assets and depreciation

Fixed assets are carried at cost of acquisition less accumulated depreciation/amortisation. Cost is inclusive of freight, duties, taxes and any other directly attributable costs to bring the assets to their working condition for intended use.

Fixed assets are being depreciated using the straight line method at the rates mentioned below which are equivalent to the management estimate of the useful economic life of the assets:-

| Assets | Useful Life (In Years) |
|------------------------|------------------------|
| Building | 15 |
| Plant and Equipment | 8 |
| Computers | 4 |
| Furniture and Fixtures | 12 |
| Office Equipment | 8 |
| Vehicle | 5-6 |

Leasehold improvements are amortised over the estimated useful life of the asset as estimated by management or the remaining period of the lease, whichever is shorter. Assets costing upto Rs. 5,000 are fully depreciated in the year of purchase.

Depreciation is charged on a pro-rata basis for assets acquired/sold during the year from/to the date of acquisition/sale.

iii) Impairment

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Accounting Standard - 28 on 'Impairment of Assets' to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account. 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 amortisation, if no impairment loss had been recognised.



iv) Operating lease (as lessee)

Lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease.

Lease payments under operating lease are recognised as an expense in the profit and loss account on a straight line basis over the lease period.

(vi) Investments

Long term investments are valued at cost. Provision is made for diminution in value to recognise a decline, if any, other than of temporary nature.

(vii) Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership in the goods to the customer.

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

(viii) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The cost formula applied for inventories is weighted average or FIFO based on the nature of product and complexity of the production process involved in conversion of the raw material to finished goods.

In determining cost of work in progress and finished goods, fixed production overheads are allocated on the basis of normal capacity of 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 realisable value.

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

(ix) Foreign currency transactions

The Company accounts for the effects of changes in foreign exchange rates in accordance with Accounting Standard-11 notified by the Companies (Accounting Standards) Rules, 2006. Transactions in foreign currency are recognised on the basis of the rate of exchange prevailing at the date of the transaction. Exchange differences arising on settlement during the year are recognised in the Profit and Loss Account. Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the resulting exchange difference recognized in the Profit and loss account.

(x) 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 profit and loss account in the period in which the employee renders the related service.

Defined contribution plans: The employee's provident fund scheme and employees' state insurance fund are defined contribution plans. The Company's contribution paid/payable under these schemes is recognised as an expense in the profit and loss account during the period in which the employee renders the related service.

Defined benefit plans: The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plan is determined based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of current and past service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other long term employee benefits: Benefits under the Company's leave encashment policy constitute the 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 recognised immediately in the profit and loss account.



(xi) Earning per share

Basic earnings per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

(xii) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

(xiii) Taxation

Income-tax expense comprises current tax (i.e. the amount of tax for the year determined in accordance with the Income-tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

26. Capital commitments

| | As at 31 March 2012 | As at 31 March 2011 |
|--|------------------------|------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 4,635,396 | 290,500 |

27. Contingent liabilities

The Company has received assessment orders for the Assessment year 2001-02 and 2004-05 from the Income Tax authorities as a result of which demands have been raised against the Company. The Company had filed appeals against these demands and the cases has been decided in favour of the company at ITAT. Further, the department has filed appeals with High Court against these the orders of ITAT, details of which are as under:

| Name of the Statute | Nature of dues | Amount involved (Rs.) | Period to which the amount relates | Forum where the dispute is pending |
|----------------------|---|-----------------------|------------------------------------|------------------------------------|
| Income tax Act, 1961 | Disallowance for foreign exchange fluctuation | 3,129,228 | 2001-02 | Hon'ble High Court of Delhi |
| Income tax Act, 1961 | Disallowance for foreign exchange fluctuation | 3,958,969 | 2004-05 | Hon'ble High Court of Delhi |

28. Employee benefits

Disclosure in respect of employee benefits under Accounting Standard (AS) - 15 "Employee Benefits" prescribed by the Companies (Accounting Standards) Rules, 2006:

- a) Defined Contribution Plans:** An amount of Rs. 2,691,687 (previous year Rs. 2,052,807) pertaining to employers' contribution to provident fund and employees' state insurance fund is recognised as an expense and included in "Personnel costs" in Schedule 11.

b) Gratuity Plan (defined benefit plan)

The following table sets forth the status of the Gratuity Plan of the Company, and the amounts recognized in the balance sheet and the profit and loss account.

| Particulars | As at 31 March 2012 | As at 31 March 2011 | | | |
|---|------------------------------------|------------------------------------|------------------|------------------|------------------|
| Changes in the present value of defined benefit obligation | | | | | |
| Present value of obligation at the beginning of the year | 3,313,410 | 2,292,210 | | | |
| Interest Cost | 281,640 | 183,377 | | | |
| Current service cost | 531,198 | 420,621 | | | |
| Benefits paid | (321,050) | (340,554) | | | |
| Actuarial (gain)/loss | 152,133 | 757,756 | | | |
| Present value of obligation at the end of the year | 3,957,331 | 3,313,410 | | | |
| Changes in the fair value of the Plan assets | | | | | |
| (The Company does not have any Plan assets) | — | — | | | |
| Actuarial gain/ (loss) | | | | | |
| Actuarial gain/ (loss) for the year - obligation | (152,133) | (757,756) | | | |
| Actuarial (gain)/ loss for the year - plan assets | — | — | | | |
| Total (gain)/ loss for the year | 152,133 | 757,756 | | | |
| Actuarial (gain)/ loss recognized in the year | 152,133 | 757,756 | | | |
| Unrecognised actuarial (gains)/ losses at the end of year | — | — | | | |
| Amount recognized in the balance sheet | | | | | |
| Present value of obligation at the end of the year | 3,957,331 | 3,313,410 | | | |
| Fair value of the plan assets in the end of the year | — | — | | | |
| Funded status | 3,957,331 | 3,313,410 | | | |
| Unrecognised actuarial (gains)/losses | — | — | | | |
| Liability recognized in the balance sheet | 3,957,331 | 3,313,410 | | | |
| Gratuity cost for the year | | | | | |
| Current service cost | 531,198 | 420,621 | | | |
| Past service cost | — | — | | | |
| Interest cost | 281,640 | 183,377 | | | |
| Expected return on plan assets | — | — | | | |
| Net actuarial (gain)/loss recognized in the year | 152,133 | 757,756 | | | |
| Expenses recognised in the statement of profit and loss | 964,971 | 1,361,754 | | | |
| Economic assumptions | | | | | |
| Discount rate | 8.50% | 8.00% | | | |
| Expected rate of return on plan assets | — | — | | | |
| Long term rate of compensation increase | 6.00% | 5.50% | | | |
| Demographic assumptions | | | | | |
| Retirement age | 58 years | 58 years | | | |
| Mortality table | LIC (1994-96) mortality tables. | LIC (1994-96) mortality tables. | | | |
| Withdrawal Rates | | | | | |
| | Ages | Withdrawal rate | | | |
| | Upto 30 years | 3% | | | |
| | Upto 44 years | 2% | | | |
| | Above 44 years | 1% | | | |
| | As at | As at | | | |
| | 31 March 2012 | 31 March 2011 | | | |
| | As at | As at | | | |
| | 31 March 2010 | 31 March 2009 | | | |
| | As at | As at | | | |
| | 31 March 2008 | | | | |
| Present value of obligation at the end of the year | 3,957,331 | 3,313,410 | 2,292,210 | 3,687,749 | 39,72,085 |
| Fair value of plan assets | — | — | — | — | — |
| Liability recognized in the balance sheet | 3,957,331 | 3,313,410 | 2,292,210 | 3,687,749 | 39,72,085 |
| Experience adjustments on Plan assets/ liabilities gain/(loss) | (165,107) | (766,315) | (165,868) | (7,23,165) | — |

Enterprise best estimate of contribution during next year is Rs. 1,033,292.

Actuarial assumptions

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors. Medical cost trend rates have no impact on actuarial valuation of the above defined benefit plan. Discount rate is based on market yields prevailing on government securities as at 31 March 2012 for the estimated term of the obligations.

29. 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 and small suppliers as defined in the Act:

| S. No. | Particulars | Year ended 31 March 2012 | Year ended 31 March 2011 |
|--------|---|--------------------------|--------------------------|
| (i) | the principal amount remaining unpaid to supplier as at the end of the year | 14,755,399 | 11,872,216 |
| (ii) | the interest due on the principal remaining outstanding as at the end of the year | 59,737 | 27,118 |
| (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 | 769,666 | — |
| (v) | the amount of interest accrued and remaining unpaid at the end of the year | 1,704,205 | 874,802 |
| (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 | — | — |

30. Segment information

The Company is engaged in the business of manufacture of auto components/accessories which is a primary segment for the Company which constitutes a single business segment and accordingly disclosure requirements of Accounting Standard 17, "Segment Reporting", prescribed by the Companies (Accounting Standard) Rules 2006 in relation to primary segment are not required to be given.

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

| | Year ended 31 March 2012 | | | Year ended 31 March 2011 | | |
|---------------------|--------------------------|---------------|-------------|--------------------------|---------------|-------------|
| | Within India | Outside India | Total | Within India | Outside India | Total |
| Segment revenue | 572,205,653 | 51,057,801 | 623,263,454 | 445,659,221 | 65,182,994 | 510,842,215 |
| Segment assets | 420,444,465 | 10,611,440 | 431,055,905 | 461,275,998 | 9,844,250 | 471,120,248 |
| Capital expenditure | 23,044,690 | — | — | 8,279,935 | — | 8,279,935 |

Segment accounting policies

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

a) Segment assets

Segment assets include all operating assets used by a segment and consist principally of fixed assets, capital work in progress, current assets and loans and advances.

b) Segment revenue

Segment revenue excludes trade discounts, excise duty and exceptional item and includes other income. Segment revenue has been allocated to both the segments on the basis of specific identification.



31. Related Party Disclosures

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, as required to be disclosed under Accounting Standard 18, are as follows:

a) Related parties and nature of related party relationship where control exists

| Nature of the relationship | Name of the Company/ Party |
|-----------------------------|--------------------------------|
| 1. Ultimate holding company | Hella KGaA Hueck & Co, Germany |
| 2. Holding company | Reinhold Poersch GmbH, Germany |

b) Other related parties with whom transactions have taken place during the year:

| Nature of the relationship | Name of the Company/ Party |
|-----------------------------|--|
| 1. Subsidiary Companies | Chetan Genthe & Company Private Limited Bitoni Lamps Limited |
| 2. Fellow subsidiaries | <i>In India</i> Hella India Electronics Private Limited <i>Outside India</i> Hella Fahrzeugteile Austria GmbH Hella Phil Inc. Hella Australia Pty. Limited Hella Asia Singapore Pte. Limited Beifang Hella Automotive Lighting Ltd Hella Innenleuchten-Systeme GmbH Hella Japan Inc. Hella Inc. Changchun Hella Automotive Lighting Ltd. Behr Hella Service GmbH Hella Fahrzeugkomponenten GmbH Hella Romania S.R.L. Hella Trailer Systems GmbH Hella Saturnus Slovenija D.O.O. Hella Leuchten-Systeme GmbH Hella Lighting Finland Oy Hella-New Zealand Limited Docter Optics GmbH |
| 3. Key management personnel | Mr. R. S. Pandey (Managing Director) |

c) Related party transactions:

| Nature of transaction | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---|-----------------------------|-----------------------------|
| Sale of Products | | |
| To Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 36,669,588 | 56,664,661 |
| To Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | 86,300 | 358,409 |
| - Hella Fahrzeugteile Austria GmbH | 4,250,085 | 4,971,953 |
| - Hella Phil Inc. | — | 77,609 |
| - Hella Australia Pty. Limited | 309,233 | 343,054 |
| - Beifang Hella Automotive Lighting Ltd | 3,004,103 | 818,260 |
| - Hella Japan Inc. | — | 2,815 |
| Purchase of raw materials | | |
| From Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 16,733,916 | 13,322,853 |



| Nature of transaction | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---|-------------------------------------|-------------------------------------|
| From Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | 127,431,912 | 98,629,113 |
| - Hella Fahrzeugteile Austria GmbH | — | 1,513,248 |
| - Hella Asia Singapore Pte. Limited | 38,333,967 | 26,362,293 |
| - Hella Innenleuchten-Systeme GmbH | — | 18,936 |
| - Hella Inc. | — | 184,090 |
| - Hella Fahrzeugkomponenten GmbH | — | 41,713 |
| - Hella Romania S.R.L. | — | 13,636 |
| - Hella Trailer Systems GmbH | 262,791 | 308,246 |
| - Hella Saturnus Slovenija D.O.O | 4,996 | — |
| - Hella Leuchten-Systeme GmbH | 247,917 | — |
| - Behr Hella Services GmbH | 3,318,171 | — |
| - Docter Optics GmbH | 1,580,709 | 1,650,515 |
| Other income | | |
| To Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 2,596,546 | — |
| Legal and professional (Commission on guarantee) | | |
| To Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany# | 640,128 | 2,131,008 |
| <i># Guarantee has been given for the overdraft facility availed by the Company. The commission paid on such guarantee are reimbursed by the company.</i> | | |
| Salary and Wages | | |
| To Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 671,688 | 3,189,028 |
| Repair and maintenance - others | | |
| To Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 5,259,391 | 2,336,720 |
| To Fellow subsidiaries | | |
| - Changchun Hella Automotive Lighting Ltd. | 267,468 | 2,389,759 |
| Liabilities no longer required written back | | |
| Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | — | 21,445,533 |
| Purchase of Fixed assets | | |
| From Fellow subsidiaries | | |
| - Hella New Zealand Limited | 2,295,381 | — |
| Sale of capital work in progress | | |
| To Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | — | 904,166 |
| Reimbursement of expenses | | |
| To Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 2,098,181 | 135,260 |
| To Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | 734,970 | 372,163 |
| - Hella Fahrzeugteile Austria GmbH | 80,888 | — |
| - Hella Asia Singapore Pte. Limited | 85,971 | 119,988 |
| - Hella Trailer Systems GmbH | 14,587 | 21,927 |
| - Hella Lighting Finland Oy | 2,290 | — |



| Nature of transaction | Year ended 31 March 2012 | Year ended 31 March 2011 |
|--|-----------------------------|-----------------------------|
| Reimbursement of expenses | | |
| From Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 2,698,054 | 2,137,240 |
| From Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | — | 11,611 |
| - Hella Fahrzeugteile Austria GmbH | — | 57,803 |
| - Hella Asia Singapore Pte. Limited | — | 2,782 |
| - Changchun Hella Automotive Lighting Ltd. | — | 132,681 |
| - Behr Hella Service GmbH | 1,845,150 | 669,245 |
| Managerial remuneration | | |
| To Key management personnel | | |
| - Mr. R. S. Pandey | 5,209,136 | 3,933,434 |

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

| | As at 31 March 2012 | As at 31 March 2011 |
|--|------------------------|------------------------|
| Trade receivables | | |
| Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 8,343,089 | 6,196,485 |
| Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | — | 38,276 |
| - Hella Fahrzeugteile Austria GmbH | 803,562 | 2,035,784 |
| - Hella Australia Pty. Limited | 17,957 | 46,903 |
| - Hella Phil Inc | — | — |
| - Beifang Hella Automotive Lighting Ltd | 473,712 | 836,380 |
| - Changchun Hella Automotive Lighting Ltd. | 143,710 | — |
| Trade payables | | |
| Ultimate holding company | | |
| - Hella KGaA Hueck & Co, Germany | 4,505,566 | 2,838,488 |
| Fellow subsidiaries | | |
| - Hella India Electronics Private Limited | 30,386,144 | 26,369,233 |
| - Hella Fahrzeugteile Austria GmbH | — | 5,043,571 |
| - Hella Asia Singapore Pte. Limited | 10,035,137 | 8,120,050 |
| - Hella Inc. | — | 183,315 |
| - Changchun Hella Automotive Lighting Ltd. | — | 2,570,022 |
| - Hella Saturnus Slovenija D.O.O | 4,996 | — |
| - Hella Leuchten-Systeme GmbH | 247,917 | — |
| - Hella Trailer Systems GmbH | 201,547 | — |
| - Hella Lighting Finland Oy | 2,290 | — |
| Loans and advances | | |
| Subsidiaries | | |
| Bitoni Lamps Limited | 1,041,642 | 1,041,642 |
| Chetan Genthe & Company Private Limited | 2,224,181 | 2,224,181 |
| Fellow subsidiaries | | |
| - Hella Fahrzeugteile Austria GmbH | — | 58,133 |
| - Behr Hella Service-GmbH | — | 305,885 |
| - Changchun Hella Automotive Lighting Ltd. | — | 133,543 |
| Interest accrued and due on borrowing | | |
| Holding company | | |
| - Reinhold Poersch GmbH, Germany | — | 12,447,700 |

32. Operating leases

The Company has office and residential premises for its personnel under cancellable and non-cancellable operating leases. Operating lease rentals charged to the profit and loss account during the year ended 31 March 2012 is Rs. 4,174,280 (previous year Rs. 3,315,431). The future minimum lease expense in respect of non cancellable lease is as follows:

| | As at 31 March 2012 | As at 31 March 2011 |
|--|------------------------|------------------------|
| Not later than 1 year | 1,159,944 | 1,397,333 |
| Later than 1 year but not later than 5 years | 3,189,846 | 1,845,375 |
| Later than 5 years | — | — |

33. Earnings/Loss per share

| | As at 31 March 2012 | As at 31 March 2011 |
|---|------------------------|------------------------|
| Profit/(loss) after tax | (31,620,132) | 256,466,993 |
| Weighted average number of equity shares outstanding during the year | 3,171,400 | 3,171,400 |
| Basic and diluted earnings per share in Rupees (face value - Rs.10 per share) | (9.97) | 80.87 |

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

34. Deferred Tax

Components of deferred tax asset / (deferred tax liability) are as under:

| | As at 31 March 2012 | As at 31 March 2011 |
|--|------------------------|------------------------|
| Timing differences between accounting and tax books on account of: | | |
| Deferred tax liability | | |
| Difference between written down value of fixed assets as per Income tax Act, 1961 and as per Companies Act, 1956 | 2,932,370 | 3,198,004 |
| Total (A) | 2,932,370 | 3,198,004 |
| Deferred tax assets | | |
| Provision for gratuity | 1,283,956 | 1,075,036 |
| Provision for leave encashment | 826,927 | 645,103 |
| Provision for doubtful debts | 650,472 | 2,450,181 |
| Provision for doubtful advances | 3,177,869 | 3,058,602 |
| Provision for bonus | 902,630 | 141,809 |
| Provision for slow moving inventory | 1,784,274 | 1,093,481 |
| Provision for Impairment loss | 13,756,680 | — |
| Provision for Export Obligation - EPCG License | 1,382,479 | — |
| Unabsorbed depreciation and carry forward of losses under the Income-tax Act, 1961 | 63,274,822 | 79,409,265 |
| Total (B) | 87,040,109 | 87,873,477 |
| Net Deferred tax asset (B-A) | 84,107,739 | 84,675,473 |
| Net amount recognized in the financial statements | Nil | Nil |

In the absence of virtual certainty regarding realisability of deferred tax assets, deferred tax asset has been recognised only to the extent of deferred tax liability.

35. Impairment of fixed assets

In view of continued losses incurred by the Company, management has done a detailed analysis to assess impairment of its fixed assets at the Derabassi factory, which is a separate cash generating unit. This analysis is based on future revenue growth and related expenditure and accordingly a provision of Rs. 42,400,000 has been created towards writing down the value of fixed assets to their recoverable amount. The recoverable amount is based on value in use which has been computed on the basis of future cash flows as projected by the management, discounted at the rate of 10%. This analysis has further been considered and taken on record by the Board of Directors in their meeting on 30 May 2012. Expense towards the impairment provision is included under the head 'Other expenses'.

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

| | As at 31 March 2012 | | As at 31 March 2011 | |
|---------------------------------|------------------------|-------------|------------------------|-------------|
| | (in original currency) | (in Rupees) | (in original currency) | (in Rupees) |
| Debtors receivable | | | | |
| - EURO | 158,775 | 10,593,483 | 149,997 | 9,299,784 |
| - USD | 360 | 17,957 | 1,076 | 46,903 |
| Loans and Advances | | | | |
| - EURO | — | — | 8,025 | 497,562 |
| Payables | | | | |
| - EURO | 225,095 | 15,671,128 | 309,942 | 19,947,877 |
| - USD | — | — | 4,052 | 183,313 |
| Cash in hand and at bank | | | | |
| - SGD | 7 | 239 | 7 | 239 |
| - EURO | 10 | 688 | 16 | 949 |
| - RMB | — | — | 8 | 50 |

36. 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 taxation.

37. Additional information pursuant to the provisions of the Companies Act, 1956
a) Details of inventories of finished goods (in Rupees)

| | As at 31 March 2012 | As at 31 March 2011 |
|--------------|------------------------|------------------------|
| Horns | 2,597,954 | 5,041,286 |
| Lamps | 11,526,952 | 11,490,042 |
| Other | 4,945,042 | 1,732,323 |
| Total | 19,069,948 | 18,263,651 |

b) Details of turnover (in Rupees)

| | As at 31 March 2012 | As at 31 March 2011 |
|--------------|------------------------|------------------------|
| Horns | 175,982,163 | 130,168,742 |
| Lamps | 358,985,410 | 278,116,522 |
| Other | 117,451,836 | 124,289,776 |
| Total | 652,419,409 | 532,575,040 |

c) Raw materials and components consumed

| | As at 31 March 2012 | As at 31 March 2011 |
|---------------------|------------------------|------------------------|
| CRC sheet/ CRC coil | 6,280,877 | 8,557,367 |
| Diffusing lenses | 30,964,016 | 24,556,874 |
| Motor | 16,371,062 | 22,170,426 |
| Horn (unfinished) | 100,448,073 | 72,928,797 |
| Others | 243,323,185 | 196,608,240 |
| Total | 397,387,213 | 324,821,704 |

- d) Value of imported and indigenous raw materials consumed and Stores and spares consumed and the percentage of each to the total consumption.

| Item | Year ended 31 March 2012 | | Year ended 31 March 2011 | |
|--------------------------------|--------------------------|------------|--------------------------|------------|
| | Value (in Rupees) | % | Value (in Rupees) | % |
| Raw materials | | | | |
| - Imported | 69,458,337 | 17.60 | 74,310,677 | 22.91 |
| - Indigenous | 327,928,876 | 82.39 | 250,511,027 | 77.09 |
| Total | 397,387,213 | 100 | 324,821,704 | 100 |
| Stores, spares and consumables | | | | |
| - Imported | — | — | — | — |
| - Indigenous | 23,171,017 | 100 | 18,146,211 | 100 |
| Total | 23,171,017 | 100 | 18,146,211 | 100 |

- e) Value of imports on CIF Basis

| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---------------|-----------------------------|-----------------------------|
| Raw materials | 66,839,014 | 50,397,704 |
| Capital goods | 2,295,381 | — |

- f) Expenditure in foreign currency

| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|---|-----------------------------|-----------------------------|
| Employee benefit expenses | 1,814,542 | 3,189,029 |
| Travelling | 339,865 | 398,473 |
| Legal and professional charges (commission on guarantee) | 640,128 | 2,131,008 |
| Repairs and maintenance | 5,526,859 | 4,841,632 |
| Service after sales | 2,583,028 | — |

- g) Earnings in foreign currency

| | Year ended 31 March 2012 | Year ended 31 March 2011 |
|-------------------------------------|-----------------------------|-----------------------------|
| F.O.B. value of exports | 4,8461,254 | 65,182,994 |
| Other income (Development of tools) | 2,596,546 | — |

38. Prior period items

In earlier years, the Company had received a notice from a local authority whereby a demand of Rs. 10,200,000 was raised for increase in FAR (floor area ratio) in respect of land at Faridabad for one time development charges. The Company had created a provision in the books for the entire demand alongwith interest of Rs. 1,000,000 in the previous year. Based on management's reassessment of the Company's exposure with regard to such liability, the Company is of the firm belief that the above demand is not tenable and highly unlikely to be retained by the local authority. Accordingly, the Company has reversed this provision during the current year. This reversal is in the nature of a prior period adjustment and is included under the head 'Other income'.

39. The operations in M/s Chetan Genthe & Co. Pvt. Ltd. (Chetan) and M/s Bitoni Lamps Ltd. (Bitoni), subsidiaries of the Company had been discontinued since financial year 2006-07. With effect from 8 June 2011, Chetan has been struck off from the Register of Companies (ROC) and that company stands dissolved. In case of Bitoni, based on the Company's correspondence with the ROC, it is of the opinion that the dissolution and striking off of this company by the ROC is imminent. The Company has accordingly decided not to consolidate the financial statements of Bitoni as required by the Listing Agreement with the stock exchange. It is further of the view that there is no material impact on the Company's consolidated turnover, consolidated net profit after tax and consolidated earnings per share for the year ended 31 March 2012 as compared to the stand alone turnover, net profit after tax and earnings per share of the Company.

For B S R & Co.
Chartered Accountants
Firm Registration No. 101248W

For Hella India Lighting Limited

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 30.05.2012

Sd/-
Rama Shankar Pandey
Managing Director
Place: Gurgaon
Date: 30.05.2012

Sd/-
Christof Johannes Droste
Director
Place: Gurgaon
Date: 30.05.2012

Sd/-
Sarvesh Upadhyay
Company Secretary
Place: Gurgaon
Date: 30.05.2012

HELLA INDIA LIGHTING LIMITED

Registered Office: B-13, Badarpur Extension, New Delhi - 110044

FORM OF THE PROXY FOR THE 52ND ANNUAL GENERAL MEETING

I/We, the undersigned Equity Shareholder(s) of the above company hereby appoint Mr. _____ of _____ and failing him Mr. _____ of _____ as my/our proxy, to vote for me/us at the 52nd Annual General Meeting of the Equity Shareholders of the company to be held at Vyayam Shala, Vilege Jhuljhuli, P.O. Ghumanhera, New Delhi - 110073 on **29th September 2012 at 9:30 A.M.** or any adjournment or adjournments thereof.

Dated this _____ day of _____ 2012.

Signature:



Folio No./Client ID.....

No. of shares held.....

Address:

Note: The proxy form should be delivered at the Registered Office of the Company at B-13, Badarpur Extension, New Delhi - 110044, not less than 48 (Forty Eight) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. The proxy need not be a member of the company.

----- TEAR HERE -----

ATTENDANCE SLIP

HELLA INDIA LIGHTING LIMITED

Registered Office: B-13, Badarpur Extension, New Delhi - 110044

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional attendance slip on request.

Name and Address
of the Shareholder:

Folio No./Client ID

I hereby record my presence at the Annual General Meeting of the company held on **29th September 2012 at 9:30 A.M.** at Vyayam Shala, Vilege Jhuljhuli, P.O. Ghumanhera, New Delhi - 110073.

SIGNATURE OF THE SHAREHOLDER OR PROXY

Strike out whichever is not applicable.

BOOK - POST

If undelivered, please return to :

HELLA INDIA LIGHTING LIMITED

Registered Office :

B-13, Badarpur Extension,

New Delhi - 110044