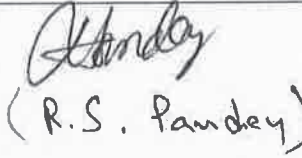







HELLA India Lighting Ltd.
6A, 6th Floor, Platinum Tower
184, Udyog Vihar Phase-I
Gurgaon-122016
Haryana, India

Form B

Tel: +91-124-4658600
Fax: +91-124-4658699

1	Name of the Company	Hella India Lighting Limited	www.hella.co.in
2	Annual financial statements for the year ended	31 st March 2014	CIN: L74899DL1959PLC003126
3	Type of Audit qualification	1. Delay in deposit of certain statutory dues.	
4	Frequency of Qualification	1. The qualification of "delay in deposit of certain statutory dues" was also a matter of qualification in the report of Auditors for the financial year 2012-13, 2011-12 and 2010-11.	
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>1. Auditor's qualification read as under: 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, Service tax, Income-tax, Wealth tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. <i>Dues in respect of Provident Fund, Employees' State Insurance and Income tax have not been deposited regularly, of which several of the delays have been significant.</i></p> <p>Management's reply on auditor's qualification read as under: The Company always try to adhere the statutory time lines provided for depositing the statutory dues. However, on certain occasions, due to unavoidable reasons, there were delays in depositing certain Statutory Dues. The Company will take every step to avoid it in future and would also try to maintain high level of accuracy for such compliances.</p>	
6	Additional comments from the board/ audit committee chair:	Nil	
7	To be signed by - -CEO/ Managing Director - CFO/Head of Finance - Auditor of the Company - Audit Committee Chairman	 (R.S. Pandey)   	

Plant : Ambala Chandigarh Highway, Derabassi-140504 (Punjab)

Works at : Khewat No. 240/220, Kila No. 17/6, Badsahi Road, Surat Nagar -II, Gurgaon - 122001 (Haryana)

Regd. Office : B-13, Badarpur Extension, New Delhi - 110044



HELLA INDIA LIGHTING LTD
ANNUAL REPORT
2013-2014



HELLA INDIA LIGHTING LTD.

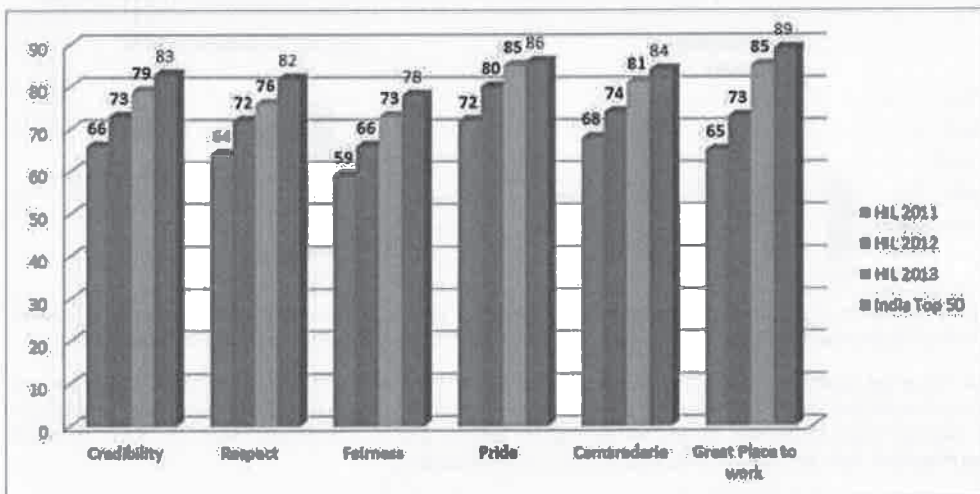
SOE & IAM PRODUCT PORTFOLIO

					
Module 90 (High Beam)	Module 90 (Low Beam)	Module 90 (Fog Lamp)	Module 60 (High Beam)	Module 60 (Low Beam)	Module 60 (Work Lamp)
					
LED Tail Lamp	90mm Rear Lamp(Bulb)	LED Plough Lamp(700/1200/1800 lm)	Work Lamp W394	Decorative Lamp (LED)	End-Outline Marker Lamp
					
Fog Lamp	Hazard Warning Switch	ON-OFF Switch	Comet 500 (Driving & Fog)	Comet 450 (Driving & Fog)	Comet 550 (Driving & Fog)
					
Disc Horn (Red Grill)	Trumpet (TE 16)	Two Wheeler Horn (Mach 33)	High Performance Horn (Vibrosonic)	Premium Trumpet (Chrome)	Day Time Running Light
					
Premium Head Lamp for CV	Rallye Light	Premium Head Lamp for CV	Relay System	Halogen Bulb	Spark Plug
					
Radiator	A/C Part	Test Equipment (Beamsetter)	Wiper Blade	Battery Cut-OFF Switch	Dipper Switch

HELLA INDIA LIGHTING LIMITED - A Great Place to Work



Your Company (HIL) had participated in the survey of "Great place to work" in the year 2011 to 2013. Your Company is pleased to share the outcome of the said survey which is presented in the below graph. It is a matter of pride for your Company to compete with India's top 50 Companies who are following best practices for their employees. We are endeavored to provide the platform to employees for self-development and grooming in personal and professional life. "It takes two to tango", we are trying our best to keep our employees happy and we are sure that we are getting the same. It is now visible in the numbers also this year as explained in detail in financials of the Company.



Dear Shareowners,

It gives me immense pleasure once again to reach you and share my thoughts with the owners of the Company.

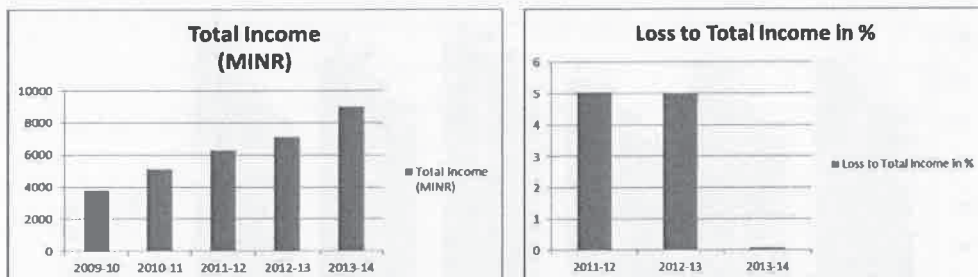
"When going gets tough, tough gets going". It is so true for your Company. The financial year 2013-14 was one of the best years in last decade for your Company. It looks "to good to believe". The combined efforts of the entire workforce started to show the results. Your Company has started recovering slowly the losses incurred in the previous years. The last quarter of the financial year had shown tremendous results and company had achieved profit also.

"Trust and Challenge" among the employees is creating a solid base for the Company on which future direction of the Company would be framed.

The evolution of the Company in last few years is both interesting and inspiring. It has witnessed a huge transformation of the automobile sector over the years in India, the Company has tried to deliver consistently best value to customers over the life cycle of the product and created a loyal customer base. The leadership team has built a culture of customer obsession & empathy, objectivity, Company-first, team spirit, honesty, efficient and rigor. I am indebted to the leaders in this Company for this strong and rich legacy.

We focused and believe in technology jump, market leader, efficient and effectiveness, zero tolerance practices. With all these policies and practices, we are able to make ourselves different with others and sustain with this changing environment. We also believe that with our all these innovative ideas we will achieve our vision and mission.

A comparative chart of past years total income and loss to total income in % is shown herein below.



The increase in total Income in the financial year 2013-14 was pioneered by increase in export sales followed by increase in local sales. The same has also resulted in better operational results.

We have set really a challenging and ambitious target for the financial year 2014-15 which we are sure to achieve. Your Company has developed right platform to achieve the targets. Base is set with various product launches, favorable market indicators and stable government. With the focused approached, we are sure we will be able to touch new heights.

I am grateful to the Board of Directors for their unwavering support and guidance. I would also like to express my gratitude to all our stakeholders, who have reposed their trust in us and given us their constant support.

Thanking You and Best Regard

Sd/-
Rama Shankar Pandey
Managing Director
(DIN: 02848326)

HELLA INDIA LIGHTING LIMITED



BOARD OF DIRECTORS

(In alphabetical order)

Mr. Avinash Razdan Bindra

(Non-Executive Independent Director)

Mr. Christof Johannes Droste

(Non-Executive Director)

Mr. Guido Johannes Christ

(Non-Executive Independent Director)

Dr. Gunther Schmidt

(Non-Executive Director)

Mr. Rama Shankar Pandey

(Managing Director)

COMPANY SECRETARY

Mr. Sarvesh Kumar Upadhyay

REGISTERED OFFICE

B-13, Badarpur Extension,
New Delhi - 110044

MANUFACTURING UNIT – I

AT AMBALA

Ambala Chandigarh Road, Derabassi-140507, Punjab

MANUFACTURING UNIT – II¹

Village Mahiwala, Derabassi, Punjab

MANUFACTURING UNIT – III

AT CHENNAI

Door/Plot No. 33 (Survey No. 515), Situated at No 50,
Madhavaram Village, Ambattur Taluk, Madhavaram Taluk,
Thiruvallur District, Chennai

UNIT - IV

MANUFACTURING & TRADING WAREHOUSE

AT GURGAON

Khewat Number 240/220, Kila Number 17/6,
Badshahi Road, Surat Nagar – II,
Gurgaon-122001, Haryana

UNIT – V

TRADING WAREHOUSE

AT - PUNE

Chambli Phata, Chambli Gaon Road
Opp. Vitthal Nagar, Chakan
Distt. Pune – 410501, Maharashtra

BANKERS

HDFC Bank
Deutsche Bank
State Bank of Patiala
Union Bank of India
Canara Bank

LISTING OF EQUITY SHARES²

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001
(Scrip Code – 520026)

The Delhi Stock Exchange Association Ltd.
DSE House, 3/1, Asaf Ali Road, New Delhi - 110002
(Scrip Code - 10020)

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
44 Community Center, 2nd Floor,
Naraina Industrial Area, Phase I,
New Delhi - 110028

AUDITORS

B S R & Co. (LLP)
Chartered Accountants, Gurgaon

ANNUAL GENERAL MEETING

Date: 30th September 2014

Time: 9:00 A.M.

Place: Hotel Aravali Villa, F.H. - 1, Bandh Road,
N.H. - 8, Rajokari, New Delhi - 110038

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¹Please refer clause "Operations at Mahiwala Plant, Punjab" on page 12 of this Annual Report.

²Please refer clause "Delisting of Securities" on page 12 of this Annual Report.



NOTICE

Notice is hereby given that the 54th Annual General Meeting of the members of Hella India Lighting Limited (CIN : L74899DL1959PLC003126) will be held at Hotel Aravali Villa, F.H. - 1, Bandh Road, N.H. - 8, Rajokari, New Delhi - 110038, India on Tuesday, 30th day of September 2014 at 9:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2014, Profit and Loss Account for the period ended on that date and the reports of the Board of Directors' and Auditor's thereon.
2. To appoint a Director in place of Dr. Gunther Schmidt (DIN : 03275140) who retires by rotation and is eligible for reappointment.
3. To appoint Statutory Auditors and to fix their remuneration.

"RESOLVED THAT M/s B S R & Co. (LLP), Chartered Accountants (Membership No 101248W), Gurgaon, the Statutory Auditors of the Company, who retires at the conclusion of the 54th Annual General Meeting, be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of 54th Annual General Meeting until the conclusion of 55th Annual General Meeting.

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director and Mr. Anil Sultan – Authorised Person of the Company be and are hereby severally authorised to discuss, negotiate and fix the remuneration of auditors for the financial year 2014-15."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to provisions of Section 5, 14, Table A of Schedule 1 and any other applicable provisions of the Companies Act 2013 and/or any other Act read with related rules thereof, if any, and subject to approval of Central Government and/or any other authority, if any, the Company be and is hereby considered and adopted the Table F of Schedule I of the Companies Act 2013 with modifications as its Articles of Association of the Company.

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey – Managing Director and Mr. Sarvesh Kumar Upadhyay - Company Secretary of the Company be and are hereby severally authorised to intimate and obtain the approval of Ministry of Corporate Affairs, if any, and to do all other acts, deeds and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

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

"RESOLVED THAT pursuant to Section 180(1)(c) of the Companies Act 2013, and any other provisions applicable for the time being in force, consent of the members of the Company be and is hereby accorded to borrow any sum or sums of money for an on behalf of the Company, from time to time from any one or more person, firm, body corporate, banker, financial institutions or from others by way of advances, deposits, loans or otherwise notwithstanding that the sum or sums of money so borrowed together with money, if any, already borrowed by the Company (apart from temporary loans repayable on demand or within six months from the date of the loan, such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature, repayable on demand or obtained from the Company's banker in the ordinary course of business) will or may exceed the aggregate of the paid-up share capital and free reserves, provided that the total amount upto which the money may be borrowed shall not exceed ₹ 50 Crores at any point of time on account of the principal.



RESOLVED FURTHER THAT for the purpose of giving effect to this resolution Mr. Rama Shankar Pandey - Managing Director of the Company and Mr. Anil Sultan – Authorised Person of the Company be and are hereby jointly or severally authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

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

"RESOLVED THAT pursuant to Section 149, 152, Schedule IV of the Companies Act 2013 read with Companies (Appointment & Qualification of Directors) Rules 2014, and any other provisions as may be applicable for the time being in force, consent of the members of the Company be and is hereby accorded for appointment of Mr. Guido Johannes Christ (having Director Identification Number : 03268438) as an Independent Director of the Company who shall hold office for a term upto two (2) consecutive years i.e. upto the conclusion of 56th Annual General Meeting of the Company.

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

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

"RESOLVED THAT pursuant to Section 149, 152 of the Companies Act 2013 read with Companies (Appointment & Qualification of Directors) Rules 2014, and any other provisions as may be applicable for the time being in force, consent of the members of the Company be and is hereby accorded for appointment of Mr. Avinash Razdan Bindra (having Director Identification Number : 03517938) as an Independent Director of the Company who shall hold office for a term of upto two (2) consecutive years i.e. upto the conclusion of 56th Annual General Meeting of the Company.

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

8. To consider and if thought fit, to pass the following resolutions as an Special Resolutions with or without modification(s):

"RESOLVED THAT pursuant to Clause 49 (VII) of the Listing Agreement which will be in effect from 1st October 2014, and any other provisions as may be applicable for the time being in force, consent of the members of the Company be and is hereby accorded for transaction with M/s Hella India Automotive Private Limited on arm length basis for upto ₹ 25 Crores in a financial year starting w.e.f. 1st October 2014."

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director of the Company and Mr. Anil Sultan – Authorised Person of the Company shall ensure that the above limit must not exceed beyond prescribed limit.

RESOLVED FURTHER THAT Mr. Rama Shankar Pandey - Managing Director of the Company and Mr. Sarvesh Kumar Upadhyay – Company Secretary of the Company be and are hereby severally authorized to sign and file necessary forms, agreement, deeds, paper etc with appropriate authority, if any, and to do all such acts, deeds and things as may be deemed necessary and expedient in this regard."

By Order of the Board
For Hella India Lighting Limited

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary

Place: New Delhi
Date: 13th August 2014



NOTES:

- 1. 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.**

Provided that such proxy shall not have the right to speak at such meeting and shall not be entitled to vote except on poll.

2. 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 case of default, the instrument of proxy shall be treated as invalid.
3. The Register of Members and Share Transfer Books of the Company shall remain close for a period of 10 days, from 21st September 2014 to 30th September 2014 (both days inclusive).
4. Members are requested to send request for change in their addresses, if any, directly to the Registrar & Share Transfer Agent viz. Link Intime India Private Limited (formerly Intime Spectrum Registry Limited), 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase – 1, Near PVR Naraina, New Delhi – 110028.
5. 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.
6. 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.
7. Pursuant to Section 108 of Companies Act 2013 read with The Companies (Management and Administration) Rules, 2014 and Clause 35 B of Listing Agreement, the Company is pleased to offer E- voting (Electronic Voting) facility to its members to cast their votes electronically on all resolutions set forth in this Notice convening the 54th Annual General Meeting to be held on Tuesday, September 30, 2014, at 9.00 A.M.

The Company has engaged the services of Central Depository Securities Limited (“CDSL”) as the authorised agency to provide the e-voting facilities. The E-voting facility will be available during the following voting period:

Commencement of E-voting	End of E-voting
From 9:00 A.M. on 22 nd September 2014	Upto 6:00 P.M. on 24 th September 2014

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

The instructions for members for voting electronically are as under:-

A) For Individual, HUF, NRI etc (Non Institutional)

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

HELLA INDIA LIGHTING LIMITED



- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company , then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth (DOB)	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member Id / Folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for E-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for E-voting on the resolutions contained in this Notice.
- (x) Click on the Electronic Voting Sequence Number (EVSN) of your Company on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

B) For Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.)

- i) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- ii) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- iii) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- iv) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

C) Other Instructions

- i) The E-voting period commences on 22nd September, 2014 at 9.00 A.M. and ends on 24th September, 2014 at 6.00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date which is 22nd August 2014, may cast their vote electronically. The E- voting module shall be disabled by CDSL for voting thereafter.
- ii) The members who have cast their vote electronically shall not be allowed to vote again at the meeting.
- iii) Ms. Ashleen Kaur Sahni of M/s A K Sahni & Associates, Practising Chartered Accountants (email: caashisahni@gmail.com) (Membership No. 522275) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv) The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- v) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- vi) The voting rights of shareholders shall be in proportion to their shares of the paid up capital of the Company as on 20th August 2014.
- vii) The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hella.co.in and on the website of CDSL within two days of the passing of the resolutions at the 54th Annual General Meeting of the Company on 30th September, 2014 and communicated to the Bombay Stock Exchange and Delhi Stock Exchange.
- viii) The notice of the meeting is also available on the website of the Company at www.hella.co.in and of CDSL at www.evotingindia.com.



INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of Director who is proposed to be appointed / re-appointed are given below:

Name	:	Dr. Gunther Schmidt
Qualification	:	Dr. - Ing.
Brief Profile	:	Dr. Gunther Schmidt is 43 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	:	Hella Fahrzeugteile Austria GmbH, Beifang Hella Automotive Lighting Limited
He is also a member of Nomination and Remuneration Committee of the Company.		
Name	:	Mr. Guido Johannes Christ
Qualification	:	Mechanical Engineering and German Diplom (Comparable to M.Eng.) with focus on Turbo machinery
Brief Profile	:	Mr. Guido Johannes Christ is 62 years old and having approx 39 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	:	Insilco Limited
He is also a member of Audit Committee, Stakeholders' Relationship Committee, Share Transfer Committee and Nomination and Remuneration Committee of the Company.		
Name	:	Mr. Avinash Razdan Bindra
Qualification	:	Fellow member of Institute of Cost Accounting of India, MBA (Finance), PGDMM and also Bachelor of Science.
Brief Profile	:	Mr. Avinash Razdan Bindra is 48 years old and having more than 23 years of rich experience in budgeting, forecasting, evaluating Profit and Loss Account, internal control, cost controlling, management of finance, fund raising for new project and working capital, merger and de-merger etc.
Shareholding in the Company	:	Nil
Other Directorships	:	Nil
He is also a member of Audit Committee, Stakeholders' Relationship Committee, Share Transfer Committee and Nomination and Remuneration Committee of the Company.		



By Order of the Board
For Hella India Lighting Limited

Place: New Delhi
Date: 13th August 2014

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The Companies Act 2013 (New Act) under Table F prescribes model Articles of Association (AOA) as per new Act. The current AOA of the Company is based on the Companies Act, 1956 (Old Act). Various clauses in the existing AOA contain references to specific sections of the old Act and conformity with the provisions of the old Act.

In view of the above, to make AOA in conformity with the provisions of the new Act, it is necessary to consider and adopt new model of AOA, after modification wherever necessary, as prescribed under the new Act.

The Board of Director of yours Company has already approved the said resolution and recommend the same for your approval. None of the Directors are concerned or interested in the resolution.

Item No. 5

The Shareholders may recall its approval for borrowing power upto ₹ 50 Crores in its meeting held on 27th September 2013, pursuant to Section of 293 (1) (c) of the Old Act which is no longer valid for future borrowings being passed through "Ordinary Resolution". The new Act prescribes this resolution to be passed as "Special Resolution".

Pursuant to Section 180 (1) (c) of the Companies Act 2013, the Board of Directors of the Company is seeking your approval for borrowing power upto ₹ 50 Crores as mentioned and explained in the resolution no 6.

The Board of Directors of your Company has already approved the said resolution and recommends the same for your approval.

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

Item No. 6 and 7

The Shareholders may be informed that Mr. Guido Johannes Christ and Mr. Avinash Razdan Bindra were appointed on 1st October 2010 and 30th May 2011 respectively, as an Independent Directors of the Company pursuant to old Act which has now been replaced by the New Act.

In terms of provisions of Section 149 of the new Act read with Companies (Appointment & Qualification of Directors) Rules 2014, it is proposed to appoint Mr. Guido Johannes Christ and Mr. Avinash Razdan Bindra as an Independent Directors again for a terms of upto two (2) consecutive years i.e. from the conclusion of this meeting (i.e. 54th Annual General Meeting) upto the conclusion of 56th Annual General Meeting.

The Company has received declaration from Mr. Guido Johannes Christ and Mr. Avinash Razdan Bindra that they meet the criteria of independence as prescribed under Section 149 of the new Act and Clause 49 of the Listing Agreement. In the opinion of Board of Directors Mr. Guido Johannes Christ and Mr. Avinash Razdan Bindra fulfill the criteria for appointment of Independent Director of the Company as specified under the new Act and Listing Agreement.

In view of the same, the Board of Directors of the Company is seeking your approval for appointment of Mr. Guido Johannes Christ and Mr. Avinash Razdan Bindra as an Independent Directors for two (2) consecutive years from the conclusion of this meeting upto the conclusion of 56th Annual General Meeting.

None of the Directors except Mr. Guido Johannes Christ and Mr Avinash Razdan Bindra, being themselves, are interested or concerned in the resolution.

HELLA INDIA LIGHTING LIMITED



Item No. 8

Pursuant to Clause 49 (VII) of the Listing Agreement (to be effective from 1st October 2014), M/s Hella India Automotive Private Limited (HIA) is a related party to your Company being Company under the same Group (i.e. Parent Company of both Companies are same). Your Company is doing various business transactions, material in nature as per said Clause of Listing Agreement, with Hella India Automotive Private Limited. Pursuant to said Clause such transactions require approval from members of the Company.

In view of the same, the Board of Directors of the Company is seeking your approval for transactions of upto ₹ 25 Crores per annum with M/s Hella India Automotive Private Limited.

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

By Order of the Board
For Hella India Lighting Limited

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary

Place: New Delhi
Date: 13th August 2014

**DIRECTORS' REPORT**

To,
The Members,

Your Directors are pleased to present the 54th Annual Report and the Audited Accounts for the year ended March 31, 2014.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended March 31, 2014 is summarized below:

(₹ in Lakhs)

PARTICULARS	CURRENT YEAR ENDED 31.03.2014	PREVIOUS YEAR ENDED 31.03.2013
Profit/(Loss) after tax but before Depreciation & Interest	207.66	(245.10)
Less: Interest	Nil	Nil
Profit/(Loss) after tax & Interest but before Depreciation	207.66	(245.10)
Less: Depreciation	214.25	110.27
Profit/(Loss) after tax, Interest & Depreciation	(6.59)	(355.37)
Balance Brought Forward	(1877.57)	(1522.19)
Transfer from General Reserve to Profit and Loss Account	Nil	Nil
Balance carried over to the Balance Sheet	(1884.16)	(1877.57)

OPERATIONAL PERFORMANCE

During the period under review for 12 months, the Net Operational Revenue of the Company was at ₹ 9004.04 Lakhs as compared to the previous year ₹ 6803.77 Lakhs. The net loss during the period under report amounts to ₹ 6.59 Lakhs as compared to the previous year's net loss of ₹ 355.37 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

During the year the Company did not have any subsidiary.

DIRECTORS

During the year, Mr. Akhilesh Kumar Maheshwari resigned as Director w.e.f. 26th September 2013.

Further, Mr. Avinash Razdan Bindra was retiring as a Director and he was reappointed as rotational Director in the previous Annual General Meeting which was held on 27th September 2013.

In the ensuing Annual General Meeting, Dr. Gunther Schmidt shall be retiring by rotation, being eligible, he has offered himself for the reappointment and which shall be placed before the members of the Company for re-appointment as Director liable to retire by rotation.

Pursuant to the provisions of Companies Act 2013, it is proposed to appoint Mr. Guido Johannes Christ and Mr. Avinash Razdan Bindra as Independent Director in the ensuing Annual General Meeting. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149 of the Companies Act 2013, and under Clause 49 of the Listing Agreement with Stock Exchanges.

HELLA INDIA LIGHTING LIMITED



Brief resume of the above Directors, nature of their expertise in functional areas and the name of the public companies in which they hold the Directorship and the Chairmanship/Membership of the Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are given in the Notice convening the Annual General Meeting.

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:

- That in the preparation of annual accounts for the financial year ended 31st March 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- 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 and loss of the Company for the year under review.
- That the Directors had 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.
- That the Directors had prepared the annual accounts for the financial year ended 31st March 2014 on a going concern basis.

PARTICULARS OF EMPLOYEES

As required by provisions of Section 217(2A) of Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, the name and other particulars of the employee are as under:

Name of the Employee	Mr. Rama Shankar Pandey	Mr. Gerhard Gorzinski	Mr. Vijay Narayanan
Designation	Managing Director	Head Logistics	Head-Production Technology
Remuneration Received (in financial year 2013-14)	₹ 61,46,220/- (From April 2013 to March 2014)	₹ 93,92,816/- (From April 2013 to March 2014)	₹ 55,83,627/- (July 2013 to March 2014)
Nature of Employment (Contractual or otherwise)	Employee	Employee	Employee
Nature of duties of the employee	Overall supervision and management of Company's affairs.	Responsible for overall logistics operations of the Company under the supervision of management.	Responsible for overall Production Technology & Quality Assurance operations of the Company under the supervision of management.
Other Terms and Conditions	Accustomed to act in accordance with the directions issued by Board of Director.	Accustomed to act in accordance with the directions of the Management.	Accustomed to act in accordance with the directions of the Management.
Qualification	B.Tech, Diploma in Business Finance, Exe. Gen. Management	Diploma in Industrial Engineering	Masters in Mechanical Engineering
Experience	17 years approx	6 years approx	7.5 years approx
Date of Commencement of Employment	7 th December 2006	1 st January 2013	1 st July 2013
Age of the Employee	37 years	31 years	31 years
Last Employment held before joining the Company	Timken India Limited	Hella KgaA Hueck & Co.	Hella KgaA Hueck & Co.
Equity Shares held	Nil	Nil	Nil



AUDITORS & THEIR REPORT

The Statutory Auditors of the Company, M/s B S R & Co. (LLP), Chartered Accountants, retire at the ensuing Annual General Meeting 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 139 (1) of the Companies Act, 2013 and related rules thereof.

The matter of emphasis given by the Auditors in their report has been noted and the comments of the Directors on the same were as under:

Auditor's qualification read as under:

Basis of our examination of the records of the Company, undisputed statutory dues on account of Income Tax, Provident Fund and Employee's State Insurance had not been regularly deposited with the appropriate authorities.

Management's reply on auditor's reservation/adverse remark read as under:

Your Company always try to adhere the statutory time lines provided for depositing the statutory dues. However, on certain occasions, due to unavoidable reasons, there were 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 such compliances.

FIXED DEPOSITS

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

MODERNISATION OF DERABASSI PLANT

Considering the new business opportunities and to become a technology driven Company, your Company has invested in the modernization and up gradation of its Derabassi plant.

INDUSTRIAL RELATIONS

Relations with the work force of the Company at all location 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.

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. The matter was heard by Hon'ble court on 23rd July 2014 and the next hearing is expected on 25th August 2014.

OPERATIONS AT MAHIWALA PLANT, PUNJAB

Due to proposed modernization of Derabassi Plant in April – May 2013, few processes had been shifted to Mahiwala plant in Punjab (taken on lease by your Company). However, after the modernization, those processes were again transferred to Derabassi plant in current financial year. Hence the unit of Mahiwala, Punjab was closed in the month of May 2014.

COST AUDITOR FOR FINANCIAL YEAR 2013-14

Name	Tapan Kumar Chattopadhyay
Address	121/18, Friends Colony, Gurgaon – 122001, Haryana
Membership No.	27613
Due date of filing of Cost Audit Report	30 th September 2014



COST AUDITOR FOR FINANCIAL YEAR 2014-15

Pursuant to "The Companies (cost records and audit) Rules, 2014", your Company is not required to appoint Cost Auditor for financial year 2014-15 as your Company is not falling under any of the criteria as prescribed under above rules.

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 Annexure III 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 as Annexure IV.

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 of
Hella India Lighting Limited

Sd/-
(Rama Shankar Pandey)
Managing Director
(DIN: 02848326)
Place: New Delhi
Date: 13th August 2014

Sd/-
(Gunther Schmidt)
Director
(DIN: 03275140)
Place: Lippstadt, Germany
Date: 25th August 2014

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:
- Automatic street lights on and off according to required timings.
 - Improving power factor for conservation of electricity and improving manufacturing processes in our plant.
 - Three metallizing machines removed from plant and installed new Leybold machine with better output and efficiency
 - In last financial year, Company has reduced their consumption of energy and through this the Company has favorable impact in their cost of production of goods.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy
- A new Leybold machine with better output and efficiency was installed in the Derabassi plant for improved output and efficiency.
 - New moulding machines and assembly lines have been installed which resulted in improved output and efficiency.
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:
- 500 units per month have been saved by installing automatic street lights on and off.
 - By shifting of three metalizing machines from plant, your Company is able to reduce the consumption of electricity by 1000 units per month.
 - 10 (in numbers) small and big power presses has been removed from shop floor due to product out sourcing and electricity saving is 800 units per month
 - Peak hour permission taken from Punjab State Power Corporation Limited resulting in saving of ₹ 1.25 Lac per month by less utilization of DG Sets.
 - With the improvement in power factor and manufacturing process, Company is able to save ₹ 1,2500 per month.
- d) Total energy consumption and energy consumption per unit of production:
The Company is having 2 DG Sets of 750 KVA & 380 KVA. During the year the Company has consumed units of energy as detailed below:-

Electric Energy

- Units consumed from Punjab State Electricity Board in financial year 2013-14 was 914254 units (previous year 911586 units) and the cost was ₹ 9,142,540/- (previous year ₹ 5,788,571/-).
- DG Sets: Diesel consumed this year ₹ 81,580 liters (cost ₹ 4,079,000/-) (previous year ₹ 66,470 liters at the cost of ₹ 3,057,620/-).

B. TECHNOLOGY ABSORPTION

- a) 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 ₹140,163 (previous year ₹ 83.687) (F.O.B. value). All steps have been taken to improve export turnover and tap new markets.

HELLA INDIA LIGHTING LIMITED



a) Activities, Initiatives, development of new export market and export plans.

The Company is constantly trying to increase the export sales and for the same your Company has taken strategic initiative and has launched affordable various categories of LED Work Lamps and LED Rear Lamps. Further your Company will also increase product range in various Auxiliary Lights, End Outline Marker Lamp, 90mm Rear Lamp. With the products portfolio available with the Company, it is already catering the markets in Germany, Austria, Singapore, US, Middle East, South Africa etc.

b) Foreign Exchange Used	₹ 348.55 (previous year ₹187.26)
Foreign Exchange Eamed	₹ 1634.66 (previous year ₹ 915.08)

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 and innovative products. The D&D team developed LED Interior Lamp, car segment Fog Lamp, LED Plough Lamp, Low Cost LED Tail Lamp, 90 mm Module Lamp technology introduced, Magni Coating introduced in our products for the 800 to 1000 hours of Short Spray Test (SST) life, New molding technology of Ultem/PEI introduced.
- 2 Benefits derived as a result of the above R&D**

The Company has been benefitted in several ways including entry into new market segment, Increase sales/profit, addition of new product portfolio, enhancement of experience and knowledge of the people to be used in new projects, process optimization and productivity increase
- 3 Future plan of action**

New LED product groups are being developed for local as well as exports requirements such as, Magnesium Die casting classic modules etc. Providing technical training of manpower for above projects and new process introduction like yellow lacquering etc
- 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). They have been continuously provided necessary training at Headquarters in Germany. The same enables them to absorb and adopt new technologies. It also helps to develop cross culture coordination and support which is important for technology jump. New sources have also been identified for technology up gradation. D&D were also continuously making efforts to meet customer quality demand, to achieve reliability and costs targets etc.



- 2 Benefit derived as a result of the above efforts
- The above efforts have resulted in various new technology absorption and development of various new products including entry into new market segment, Increase sales / profit, addition of new product portfolio, Process optimization and productivity increase etc.
3. In case of imported technology during the last five years:
- For Financial Year 2012-13**
- a) Technology imported
- Clear Lens technology
 - New Process i.e. Zeta Coating
 - Powder Coating
 - Robot Gluing
- b) Year of Import 2012-13
- c) Has technology been fully absorbed Yes
- d) If not, areas where this has not taken place, reasons therefore and future plans of action N.A
- For Financial Year 2013-14**
- a) Technology imported
- Metallizer machine
 - Molding technology of Ultem/PEI
- b) Year of Import 2013-14
- c) Has technology been fully absorbed Yes
- d) If not, areas where this has not taken place, reasons therefore and future plans of action N.A

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

Sd/-
(Rama Shankar Pandey)
Managing Director
(DIN: 02848326)
Place: New Delhi
Date: 13th August 2014

Sd/-
(Gunther Schmidt)
Director
(DIN: 03275140)
Place: Lippstadt, Germany
Date: 25th August 2014

**ANNEXURES TO THE DIRECTORS' REPORT****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management of Hella India Lighting Ltd 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 cannot 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

Our country is one of the fastest growing economies in the world and yet there are challenges that need to be addressed expeditiously to sustain this growth momentum. One of them is the widening gap between demand and supply in the automotive sector. An expanding economy has fostered increased levels of industrialization and urbanization, necessitating growth of automotive sector.

The silver lining is the fact that the Indian Industry have matured in terms of commitment and capability to compete in terms of quality, size, new products and innovation during last 2 decades.

2. Opportunities and Threats

In the year under report, your Company got new projects from Indian Market and also from Export Markets. There is a good growth in recent past in Export Turnover of the Company. Your Company has invested in the upgradation and modernization of the infrastructure of the Company and has introduced new technologies, techniques in plant to produce better qualitative products and to become a technology driven Company. During the year, your Company introduced various new products in the market which is unique in its category and different from products available in the market. The said new products have helped the Company to curb the new business opportunity. The Company has numerous opportunities in local market and exports market which is being en-cashed as well. Simultaneously, your Company is also focusing on to become a world class technology driven Company and will try to capture untouched market during the next year. Your Company has also shown growth in revenue and overall headcount of the Company.

As the Company is increasing its business and investing in it, there is need to capture the right opportunity at right time. With the power one obtains responsibility also. Your Company has been equipped with improved machines, with latest technologies etc., hence it is essential to grow manifold and earn good return on investment. With the continued pressure on raw material pricing and weakening of Indian rupee marginally, selling the products at appropriate margin is actually a real challenge. It would be now our imperative that we respond with a more sustainable improvement plan and effective actions to show the results.

3. Segment wise performance

The Company is engaged in the business to manufacture and after sale support 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:



(Amount in ₹)

Particulars	For the year ended 31 March 2014			For the year ended 31 March 2013		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment revenue	759,197,198	170,546,271	929,743,469	617,458,583	92,474,511	709,933,094
Segment assets	797,766,793	41,447,841	839,214,634	468,127,870	38,569,723	506,697,593
Capital expenditure	248,303,520	-	248,303,520	43,837,233	-	43,837,233

4. Outlook

In year 2013-14, the Indian Automotive Industry segment stable to negative and continues on declining outlook which is a challenging phase for the Company for the year.

The low demand, expensive borrowing, rising input costs, weakening rupee and uncertain economic scenario has led the auto manufacturers to consolidate their existing operations and to think twice on the expansion plans. The auto component industry is also witnessing a slowdown as the auto manufacturers are streamlining their production to meet the decreased demand. Low customer off take, increased cost of production, costlier imports, has eroded the cost competitiveness of the auto component industry. The steps being taken to stimulate the economy have shown very little results and the growth prospects during the current year also appear bleak. Increased exports will help the auto and the auto component sector to take advantage of the falling rupee but then the international markets are also not very sustainable. The Company understands that increased profitability in 2014-2015 will be possible only through increased operational efficiencies and effective cost control measures.

Our growth has been constrained due to market downturn. Moreover, announcements like reduction in steel prices and elimination of customs duty on auto components will work in favour of the sector. Now we need to make sure that we gain momentum and claim a significant growth in this and next few years.

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 throughout the year. Company periodically review its Human Resource Policies and carry out suitable amendments in the policy to achieve better co-ordination and congenial environment.



8. Risk and Concern

This section contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. Following are some certain factors:-

- The economic environment, pricing pressures could negatively impact our revenues and operating results.
- Currency fluctuations may affect the results or our operations.
- Our success depends in large part on our management team and key personnel and our ability to attract and retain them.

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

Sd/-
(Rama Shankar Pandey)
Managing Director
(DIN: 02848326)
Place: New Delhi
Date: 13th August 2014

Sd/-
(Gunther Schmidt)
Director
(DIN: 03275140)
Place: Lippstadt, Germany
Date: 25th August 2014



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.

2. BOARD OF DIRECTORS

(i) Composition of Board of Directors

As on 31st March 2014, the Board of Directors of the Company consisted 5 (Five) Directors, with a mix of Executive (1) and Non-Executive Directors (4). Out of Four Non-Executive Directors, the company have two Independent Directors.

The Composition of the Board of Directors as on 31st March 2014 is detailed below in the table:

Sr. No.	Name of Directors	Category of Director
1	Mr. Rama Shankar Pandey	Managing Director (ED)
2	Dr. Gunther Schmidt	Director (NED)
3	Mr. Christof Johannes Droste	Director (NED)
4	Mr. Guido Johannes Christ	Director (INED)
5	Mr. Avinash Razdan Bindra	Director (INED)

Note:

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

During the year Mr. Akhilesh Kumar Maheshwari has resigned as Director w.e.f 26th September 2013. Mr. Avinash Razdan Bindra who had retired at the 53rd Annual General Meeting, was re-appointed at that meeting as rotational Director.

The directors Present in the Board meeting elects one of them as Chairman for every Meeting of the Board.

As mandated by Clause 49 as on 21st March 2014, 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 6 (Six) times i.e. on 29th May 2013, 12th August 2013, 27th September 2013, 28th October 2013, 13th November 2013¹ and 14th February 2014. 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 2013-14 is given in the below table:

¹On 13th November 2013, the meeting was adjourned to 19th November 2013, due to the unavailability of the financials



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	-	-	-	6(6)	Yes
Mr. Akhilesh Kumar Maheshwari ²	5	-	5	2(2)	N.A.
Mr. Guido Johannes Christ	-	-	-	6(6)	N.A.
Dr. Gunther Schmidt	-	-	-	1(6)	N.A.
Mr. Avinash Razdan Bindra	-	-	-	5(6)	Yes
Mr. Christof Johannes Droste	-	-	-	1(6)	N.A.

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 2014 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 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;
- Non-compliance of any regulatory, statutory nature as well as shareholder services and delays in share transfer, if any;

²Mr. Akhilesh Kumar Maheshwari has resigned as Director w.e.f. 26th September 2013.

**vi. Committee of Directors**

The Company has four committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship 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 2013-2014 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 (terms of reference) as approved by the Board pursuant to terms of reference prescribed by the Companies Act 2013 and Listing Agreement.

The functions of the Audit Committee include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing and examination, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;



9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To oversee the Vigil Mechanism Policy and/or Whistle Blower Mechanism;
19. Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

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

1. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
2. Investigate into any matter in relation to the above terms of reference or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
3. To secure attendance of outsiders with relevant expertise, if it considers necessary;
4. To seek information from any employee;

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 2014 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.

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 2013-2014 viz. on 29th May 2013, 12th August 2013, 13th November 2013³ and 14th February 2014.

The attendance of the members in the aforesaid meetings is presented below:

Name of the Members	No. of Meetings Attended (Total meetings held: 4)
Mr. Rama Shankar Pandey	4 (4)
Mr. Akhilesh Kumar Maheshwari ⁴	2 (2)
Mr. Avinash Razdan Bindra	4 (4)
Mr. Guido Johannes Christ	4 (4)

4. NOMINATION AND REMUNERATION COMMITTEE⁵

(i) Brief description of terms of reference

The function of the Committee includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

³On 13th November 2013, the meeting was adjourned to 19th November 2013, due to the unavailability of the financials.

⁴Mr. Akhilesh Kumar Maheshwari has resigned as Director w.e.f. 26th September 2013.

⁵Pursuant to Companies Act 2013, the name of "Remuneration Committee" was changed to "Nomination and Remuneration Committee" in the meeting of Board held on 27th May 2014.



The remuneration payable to the Executive Directors is reviewed, approved and recommended by the Nomination and 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 2014 are tabled below in detail:

Sr. No.	Name of Directors	Category of Members
1	Mr. Avinash Razdan Bindra	Non-Executive Independent
2	Mr. Guido Johannes Christ	Non-Executive Independent
3	Dr. Gunther Schmidt	Non-Executive
4	Mr. Christof Johannes Droste	Non-Executive

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

(iii) Meetings and attendance

During the financial year 2013-2014, the Committee met only one (1) time i.e. on 14th February 2014. The members' attendance at the Nomination and Remuneration Committee Meetings is presented below:

Name of the Members	No. of Meetings Attended (Total meetings held: 1)
Mr. Guido Johannes Christ	1(1)
Dr. Gunther Schmidt	0(1)
Mr. Avinash Razdan Bindra	1(1)
Mr. Christof Johannes Droste	0(1)

(iv) Remuneration policy

The payment of remuneration to Director(s) is governed by the respective resolutions passed at the Nomination and Remuneration Committee, Board Meeting and Shareholders Meeting. 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 February 2014, noted the revised remuneration of Mr Rama Shankar Pandey - Managing Director of the Company for calendar year 2014 which was ₹ 5,591,300/- i.e. with effect from 1st January 2014 to 31st December 2014. Apart from this, he is also eligible for the annual performance bonus upto one month of prevailing basic salary. The detailed breakup of Remuneration drawn by Executive and Non-Executive Directors are given below:

Executive Director

Mr. Rama Shankar Pandey - Managing Director drew the following remuneration during financial year 2013-2014 (from 1st April 2013 to 31st March 2014)

(₹ In lakh)

Salary & Allowances	Monetary Value of Benefits (at cost)	Bonus ⁵	Perquisites	Contribution to PF & Other Funds	Gratuity	Leave Encashment	Total
48.84	Nil	10.00	Nil	2.62	Nil	Nil	61.46

⁵ The amount of bonus is paid to Mr. Rama Shankar Pandey is in accordance with the terms of his appointment.



Non-Executive Directors

The Non-Executive Directors have not drawn any remuneration from the Company, for the financial year ended 31st March 2014 other than sitting fee and other out-of-pocket expenses for Board and committee meetings attended by them.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE⁷:

The Company has constituted a Stakeholders Relationship Committee for redressing shareholders complaints. The Composition and names of members of the Stakeholders Relationship Committee as on 31st March 2014 are tabled below in detail:

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

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

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

During the financial year 2013-2014, the Committee met four (4) times viz. 29th May 2013, 12th August 2013, 13th November 2013 and 14th February 2014.

The composition and members attendance at the Shareholders' Grievance Committee meetings is presented below:

Name of the Members	Category	No. of Meetings Attended (Total meetings held: 4)
Mr. Rama Shankar Pandey	Member	3 (4)
Mr. Akhilesh Kumar Maheshwari ⁸	Member	2 (2)
Mr. Guido Johannes Christ	Member	4 (4)
Mr. Avinash Razdan Bindra	Member	4 (4)

The Committee supervises the mechanism for redressal of investor grievances and ensures cordial investor relations. The functions of the Committee include:

- Complaints related to transfer of Shares
- Non- receipt of Balance Sheet
- Non-receipt of declared dividend

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 2013, there was 'Nil' complaint pending and during the financial year 2013-2014, total 03 complaints were received. All the complaints were attended / resolved to the satisfaction of the complainants. Thus, as on 31st March 2014, there were 'Nil' complaints pending.

⁷Pursuant to Companies Act 2013, the name of "Shareholders' Grievance Committee" was changed to "Stakeholders' Relationship Committee" in the meeting of Board held on 27th May 2014.

⁸Mr. Akhilesh Kumar Maheshwari has resigned as Director w.e.f. 26th September 2013.


6. SHARE TRANSFER COMMITTEE

The Company has also constituted a Share Transfer Committee. The terms of reference of this Committee is as follows :

1. Transfer of Shares;
2. Transmission of Shares;
3. Split-up/Sub division and consolidation of shares;
4. Issue of new and duplicate share certificates;
5. Complaints regarding registration of Power of Attorneys, probate letters of transmission or similar other documents;
6. Any allied matter(s) out of and incidental to these functions and not herein above specified;
7. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for the overall improvement of the quality of the investor services, if required;

The Composition and names of members as on 31st March 2014 are tabled below in detail:

Sr. No.	Name of Directors	Category of members
1	Mr Rama Shankar Pandey	Executive
2	Mr. Avinash Razdan Bindra	Non-Executive Independent
3	Mr. Guido Johannes Christ	Non-Executive Independent

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

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

During the financial year 2013-2014, the Committee met three (3) times viz. 29th May 2013, 12th August 2013 and 14th February 2014.

The member's attendance at the committee meetings is presented below:

Name of the Members	Category	No. of Meetings Attended (Total meetings held: 3)
Mr. Rama Shankar Pandey	Member	2 (3)
Mr. Akhilesh Kumar Maheshwari ⁹	Member	2 (2)
Mr. Avinash Razdan Bindra	Member	3 (3)
Mr. Guido Johannes Christ	Member	3 (3)

7 GENERAL MEETINGS

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

Financial Year	Venue	Date	Time
2012-2013	Hotel Aravali Villa, F.H.-1, Bandh Road, N.H.-8, Rajokari, New Delhi - 110038	27 th September 2013	10:00 A.M.
2011-2012	Vyayam Shala, Village – Jhuljhuli, P.O. Ghumanhera, New Delhi - 110073	29 th September 2012	09:30 A.M.
2010-2011	Emperors Court 1, T. G. Leisure & Resorts, Chattarpur Hills, Mehrauli, New Delhi - 110074	30 th August 2011	09:30 A.M.

⁹Mr. Akhilesh Kumar Maheshwari has resigned as Director w.e.f. 26th September 2013.



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
27 th September 2013	Nil
29 th September 2012	1. Appointment of Mr. Rama Shankar Pandey for 3 years w.e.f. 1 st January 2012 till 31 st December 2014 and fixation of his remuneration as ₹ 44.00 Lacs for the calendar year 2012. 2. Approval of interCompany loan of ₹ 10 Crore to M/S Hella India Automotive Private Limited pursuant to Section 372A of the Companies Act 1956.
30 th August 2011	Nil

No Extraordinary General Meetings of the Company held during last three years.

During the year, no resolution was passed through Postal Ballot, in terms of the provisions of Section 192A of the Companies Act, 1956 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 or Section 110 of the Companies Act 2013 and The Companies (Management and Administration) Rules 2014.

Also, no resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

8. DISCLOSURES

- (i) During the year, there were no transactions of material nature of the Company with the Promoters, Directors, Management and 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 no instances of non-compliance by the Company, during last three years except few insignificant non-compliances.
- (iii) During the year, the Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

9. MEANS OF COMMUNICATION

The Company publishes its financial results in newspapers having circulation in English and Hindi language. The financial results (including Limited Review Report) and other important information viz details of its business, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc, are also available on the website of the Company i.e. www.hella.co.in.

10. GENERAL SHAREHOLDERS' INFORMATION

- (i) **Date, Time & Venue of the Annual General Meeting:**
Venue : Hotel Aravali Villa, F.H. 1, Bandh Road, N.H. 8, Rajokari, New Delhi - 110038;
Date & Time: 30th September 2014 at 9:00 A.M.;
- (ii) **Financial Year:** The financial year of the Company is 1st April to 31st March.
- (iii) **Book Closure Date:** 21st September 2014 to 30th September 2014 (Both days inclusive)

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(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 2013-2014 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.) 44, Community Center, 2nd Floor, Naraina Industrial Area, Phase I, Near PVR, Naraina, 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. Link Intime India Private Limited checks and verify the complete documents received for transfer/transmission. Link Intime India Private Limited has also been authorised by the Company to approve transfer/ transmission upto the tune of 2% of total paid-up capital of the Company. After approving/verifying the request for transfer/transmission, it is sent to the share transfer Committee for noting /approval (as may be required).

The Share Transfer Committee, constituted specifically for this purpose, meets as and when required 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 2013 to 31st March 2014**

Monthly high and low quotations traded at Bombay Stock Exchange during the financial year 2013-14.

Month	High Price	Low Price
April 2013	120.00	115.00
May 2013	126.00	126.00
June 2013	131.95	131.95
July 2013	-	-
August 2013	152.55	138.50
September 2013	-	-
October 2013	137.80	137.80
November 2013	138.95	138.95
December 2013	-	-
January 2014	147.00	126.50
February 2014	125.10	103.95
March 2014	124.90	95.00

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(vi) Distribution of Holding as on 31st March 2014

Nominal Value of Shareholding in ₹	No. of Shareholders	No of Shares held	Amount in ₹	% of Total
1-2500	1776	177359	1,773,590	5.59
2501-5000	213	81909	819,090	2.58
5001-10000	61	46695	466,950	1.47
10001-20000	27	38951	389,510	1.23
20001-30000	13	32921	329,210	1.04
30001-40000	9	32899	328,990	1.04
40001-50000	3	14531	145,310	0.46
50001-100000	6	41486	414,860	1.31
100001 & Above	8	2704649	27,046,490	85.28
Total	2116	3171400	31,714,000	100.00

(vii) Shareholding Pattern as on 31st March 2014

	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	44,426	1.40
	b) Individual		
	-i) individual shareholders holding nominal share capital upto ₹ 1 lakh	432,571	13.64
	ii) individual shareholders holding nominal share capital in excess of ₹ 1 lakh	84506	2.66
	c) Any other (Please specify)		
	-Directors & their relatives	Nil	Nil
	-NRIs	5567	0.18
-Clearing members	478	0.02	
-Hindu Undivided Families	8089	0.26	
	Sub Total	575,737	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 2014, 2906371 Equity Share capital of the Company representing 91.64% 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/Trading units

Manufacturing Units

Unit-I

Ambala Chandigarh Highway, Derabassi - 140507, District Patiala, Punjab.

Unit-II

Village Mahiwala, Derabassi, Punjab.

Unit-III

Chennai Warehouse: Door/Plot No. 33 (Survey No 515), situated at no 50, Madhavaram Village, Ambattur Taluk, Madhavaram Taluk, Thiruvallur District.

Manufacturing and Trading Warehouse.

Unit-IV

Gurgaon Warehouse : Khewat Number 240/220, Kila Number 17/6, Badshahi Road, Surat Nagar – II, Gurgaon, Haryana – 122001.

Trading Warehouse

Unit-V

Pune Warehouse : Chambli Phata, Chambli Gaon Road, Opp.-Vithal Nagar, Chakan, Dist.-Pune, Maharashtra, Pin Code – 410501

(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)
44, Community Center, 2nd Floor,
Naraina Industrial Area, Phase I,
Near PVR, Naraina,
New Delhi - 110028

OR

Company Secretary
Hella India Lighting Limited
6A, 6th Floor, Plot No – 184,
Platinum Tower, Udyog Vihar,
Phase - I, Gurgaon, Haryana
Pin – 122016

**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 2013-2014.

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

Sd/-
(Rama Shankar Pandey)
Managing Director
(DIN: 02848326)
Place: New Delhi
Date: 13th August 2014

Sd/-
(Gunther Schmidt)
Director
(DIN: 03275140)
Place: Lippstadt, Germany
Date: 25th August 2014

11. CEO & CFO DECLARATION

We hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on 31st March 2014 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 violate 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 that:
 - (i) there was no significant change in internal control over financial reporting during the year;
 - (ii) there was no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there were no 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.

Place: Gurgaon
Date: 27th May 2014

Sd/-
(Rama Shankar Pandey)
(DIN : 02848326)
Managing Director

Sd/-
(Sunil Kumar Singh)
Sr. 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, 2014 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/-
J.K. Gupta
(Proprietor)
FCS No.: 3978
C.P. No.: F 2448



Independent Auditor's Report

To the Members of Hella India Lighting Limited

1. Report on the financial statements

We have audited the accompanying financial statements of Hella India Lighting Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Emphasis of matter

Without qualifying our opinion, attention is invited to Note 2.35 of the financial statements, which more fully explains the reasons for the Company's inability to comply with the requirements of Clause 40 A of the Listing Agreement with the Stock Exchange(s) relating to increasing the public shareholding to a minimum of 25% by prescribed timelines and the clarifications received from Securities and Exchange Board of India in this regard.



6. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2003 ('Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- B. As required by Section 227(3) of the Act, we report that:
- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (iii) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
 - (v) on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For BSR & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W

Sd/-
Jiten Chopra
Partner
Membership No.: 092894

Place of signature: Gurgaon
Date: 27 May 2014

**ANNEXURE TO THE INDEPENDENT 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 for which third party confirmations are received. 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 the current year, all the fixed assets were verified by the management. As informed to us, the discrepancies noticed on such verification were not material and were properly dealt in books of account.
- (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) 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 Act, 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 and services 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 and 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 Act, 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 Act, 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, Service tax, Income-tax, Wealth tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities *except for Provident Fund, Employees' State Insurance and Income tax, where there have been certain delays*. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund.

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 2014 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, Employees' State Insurance, Sales tax, Excise duty, Service tax, wealth tax and Cess. 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	3,119,228	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 assessment orders. There is no demand, though the brought forwarded losses have been reduced by the amount mentioned.

10. As at 31 March 2014, the accumulated losses of the Company are not more than fifty percent of its net worth. *The Company has not incurred cash losses in the current year, How ever, there were cash Losses in the immediately preceding financial year.*
11. The Company did not have any outstanding dues to financial institutions or banks 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. According to the information and explanations given to us, term loans taken by the Company has been applied for the purpose for which they were raised. However, loan amounting to Rs. 100,000,000 remained unutilized as at 31 March 2014.
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 Act, Accordingly, the provision of clause 4(xviii) of the order are not applicable.
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 BSR & Co. LLP

Chartered Accountants
Firm Registration No.: 101248W

Sd/-
Jiten Chopra

HELLA INDIA LIGHTING LIMITED



BALANCE SHEET AS AT 31 MARCH 2014

(All amounts are in Indian Rupees)

Particulars	Note No.	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	146,077,000	146,077,000
Reserve and surplus	2.2	111,185,196	111,843,741
		<u>257,262,196</u>	<u>257,920,741</u>
Non-current liabilities			
Long-term borrowings	2.3	130,000,000	-
Other long-term liabilities	2.4	1,800,156	1,290,756
Long-term provisions	2.5	9,685,135	8,678,796
		<u>141,485,291</u>	<u>9,969,552</u>
Current liabilities			
Trade payables	2.6	308,317,729	196,861,524
Other current liabilities	2.7	126,653,502	37,035,293
Short-term provisions	2.8	5,495,916	4,910,483
		<u>440,467,147</u>	<u>238,807,300</u>
		<u>839,214,634</u>	<u>506,697,593</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.9	99,289,558	70,885,135
Intangible assets		29,928,589	-
Capital work-in-progress		168,545,286	-
		<u>297,763,433</u>	<u>70,885,135</u>
Non-current investments	2.10	5,020,000	10,000,000
Long-term loans and advances	2.11	15,610,274	119,032,593
Other non-current assets	2.12	847,527	712,691
		<u>319,241,234</u>	<u>200,630,419</u>
Current assets			
Inventories	2.13	122,873,692	107,205,059
Trade receivables	2.14	197,781,678	162,977,899
Cash and bank balance	2.15	119,781,836	25,590,904
Short-term loan and advances	2.16	75,442,697	6,974,535
Other current assets	2.17	4,093,497	3,318,777
		<u>519,973,400</u>	<u>306,067,174</u>
		<u>839,214,634</u>	<u>506,697,593</u>

Significant accounting policies 1

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

As per our report of even date attached:

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

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

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 27 May 2014

Sd/-
Rama Shankar Pandey
Managing Director
DIN No: 02848326
Place: Gurgaon
Date: 27 May 2014

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary
Place: Gurgaon
Date: 27 May 2014

Sd/-
Dr. Gunther Schmidt
Director
DIN No: 03275140
Place: Gurgaon
Date: 27 May 2014

HELLA INDIA LIGHTING LIMITED



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2014

(All amounts are in Indian Rupees)

Particulars	Note No.	Year ended 31 March 2014	Year ended 31 March 2013
Revenue from operations			
Sale of products (gross)		1,005,541,113	769,787,462
Other operating revenue	2.18	3,015,175	2,986,598
		<u>1,008,556,288</u>	<u>772,774,060</u>
Less: Excise duty		119,826,032	92,397,089
		<u>888,730,256</u>	<u>680,376,971</u>
Sale of services		11,674,000	-
Other income	2.19	39,791,973	29,556,124
Total		<u>940,196,229</u>	<u>709,933,095</u>
Expenses			
Cost of materials consumed	2.20	592,577,871	479,206,313
Changes in inventories of finished goods and work-in-progress	2.21	654,475	(13,172,358)
Employee benefits	2.22	119,380,540	91,771,667
Depreciation and amortisation	2.9	21,425,222	11,027,003
Other expenses	2.23	206,816,666	176,637,505
Total		<u>940,854,774</u>	<u>745,470,130</u>
Loss before and after tax		<u>(658,545)</u>	<u>(35,537,035)</u>
Loss per equity share (face value Rs. 10 each)			
-Basic and diluted loss per share (Rs.)	2.30	(0.21)	(11.21)

Significant accounting policies 1

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached

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

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

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 27 May 2014

Sd/-
Rama Shankar Pandey
Managing Director
DIN No: 02848326
Place: Gurgaon
Date: 27 May 2014

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary
Place: Gurgaon
Date: 27 May 2014

Sd/-
Dr. Gunther Schmidt
Director
DIN No: 03275140
Place: Gurgaon
Date: 27 May 2014

HELLA INDIA LIGHTING LIMITED



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

(All amounts are in Indian Rupees)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Loss before tax	(658,545)	(35,537,035)
Adjustments:		
Depreciation and amortisation	21,425,222	11,027,003
Liabilities and provisions no longer required written back	(5,757,138)	(797,565)
Interest income (on fixed deposits, loans and investments)	(10,506,014)	(16,905,096)
Unrealised foreign exchange fluctuations (net)	8,966,001	1,705,387
(Gain) on sale of fixed assets (net)	(30,621)	-
Provision for doubtful debts	-	2,555,928
Provision for doubtful advances	5,212	104,377
Fixed assets written-off	-	1,055,786
OPERATING PROFIT ((LOSS) BEFORE WORKING CAPITAL CHANGES	13,444,117	(36,791,215)
Adjustments:		
Decrease/(Increase) in inventories	(15,668,633)	(35,931,645)
Decrease/(Increase) in trade receivables	(36,314,378)	(72,234,050)
Decrease/(Increase) in short-term loans and advances	(18,473,374)	(3,693,684)
Decrease/(Increase) in other current assets	(90,000,000)	91,278,668
Decrease/(Increase) in long-term loans and advances	(762,283)	(3,189,302)
Decrease/(Increase) in other non-current assets	(134,836)	-
Increase/(decrease) in long-term provisions	1,006,339	2,327,230
Increase/(decrease) in other long-term liabilities	509,400	390,000
Increase/(decrease) in trade payables	109,757,941	76,859,469
Increase/(decrease) in short-term provisions	585,433	495,023
Increase/(decrease) in other current liabilities	(2,654,408)	10,445,611
CASH GENERATED/ (USED IN) OPERATIONS	(38,704,682)	29,956,105
Taxes paid on operating activities	-	-
NET CASH GENERATED/ (USED IN) OPERATING ACTIVITIES (A)	(38,704,682)	29,956,105
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital work-in-progress)	(152,371,168)	(38,603,332)
Purchase of Investments	(20,000)	-
Disposal of Investments	5,000,000	-
Proceeds from sale/discard of fixed assets	30,621	-
Loan to related party	50,000,000	(100,000,000)
Interest received (on fixed deposits, loans and investments)	9,731,294	17,729,065
CASH GENERATED/ (USED IN) INVESTING ACTIVITIES	(87,629,253)	(120,874,267)
Taxes refund/ (paid) on investing activities	524,867	(1,036,660)
NET CASH GENERATED/ (USED IN) INVESTING ACTIVITIES (B)	(87,104,386)	(121,910,927)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayments) from/of unsecured loans	130,000,000	-
NET CASH GENERATED/ (USED IN) FINANCING ACTIVITIES (C)	130,000,000	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	4,190,932	(91,954,822)
Cash and cash equivalents at the beginning of period	15,590,904	107,545,726
Cash and cash equivalents at the end of period (refer note 2.15)	19,781,836	15,590,904

1. The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard 3 "Cash Flow Statement". The notes referred to above form an integral part of the financial statements As per our report of even date attached.

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

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

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 27 May 2014

Sd/-
Rama Shankar Pandey
Managing Director
DIN No: 02848326
Place: Gurgaon
Date: 27 May 2014

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary
Place: Gurgaon
Date: 27 May 2014

Sd/-
Dr. Gunther Schmidt
Director
DIN No: 03275140
Place: Gurgaon
Date: 27 May 2014

HELLA INDIA LIGHTING LIMITED



Notes To Financial Statement for the year ended on 2014

(All amounts are in Indian Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
2.1 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) 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>

i) Rights, preferences and restrictions

Equity shares

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

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

	As at 31 March 2014		As at 31 March 2013	
	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



(All amounts are in Indian Rupees)

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
iii) Shares held by the holding, ultimate holding and/or subsidiary/associates				
Equity Shares				
Hella Holding International GmbH (formerly known as Reinhold Poersch GmbH), Germany, the holding Company	1,617,400	16,174,000	1,617,400	16,174,000
Hella India Automotive Private Limited, 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				
Hella Holding International GmbH (formerly known as 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.

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

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares				
Hella Holding International GmbH (formerly known as Reinhold Poersch GmbH), Germany, the holding company	1,617,400	51.00	1,617,400	51.00
Hella India Automotive Private Limited	978,263	30.85	978,263	30.85
Preference shares				
Hella Holding International GmbH (formerly known as Reinhold Poersch GmbH), Germany, the holding Company	1,143,630	100.00	1,143,630	100.00

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

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

2.2 Reserves and surplus

	As at 31 March 2014	As at 31 March 2013
Capital reserve		
Balance at the beginning and at the end of the year	1,756,311	1,756,311
Revaluation reserve		
Balance at the beginning and at the end of the year	2,494,752	2,494,752
Capital redemption reserve		
Balance at the beginning and at the end of the year	100,000	100,000
Securities premium reserve		
Balance at the beginning and at the end of the year	295,249,220	295,249,220
Deficit (Balance of Statement of Profit and Loss)		
Balance at the beginning of the year	(187,756,542)	(152,219,507)
Add: Loss for the year	(658,545)	(35,537,035)
Balance at the end of the year	(188,415,087)	(187,756,542)
	111,185,196	111,843,741

HELLA INDIA LIGHTING LIMITED



(All amounts are in Indian Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
2.3 Long-term borrowings		
- Term loan from related party (unsecured)	<u>130,000,000</u>	-
	<u>130,000,000</u>	-
Term loan in Indian currency is taken from Hella KGaA Hueck & Co., Germany (Ultimate Holding Company). It carries interest at 9.5% per annum. The repayment schedule is as follows :		
Installment	Repayment date	Amount to be repaid in Rs.
1	30 September 2016	21,666,667
2	31 March 2017	21,666,667
3	30 September 2017	21,666,667
4	31 March 2018	21,666,667
5	30 September 2018	21,666,667
6	31 March 2019	21,666,665
2.4 Other long-term liabilities		
Others		
- Security deposit received	<u>1,800,156</u>	<u>1,290,756</u>
	<u>1,800,156</u>	<u>1,290,756</u>
2.5 Long-term provisions		
Provisions for employee benefits		
- Gratuity (refer to note 2.25)	<u>6,868,216</u>	<u>5,515,828</u>
- Leave encashment	<u>2,816,919</u>	<u>3,162,968</u>
	<u>9,685,135</u>	<u>8,678,796</u>
2.6 Trade payables		
Trade payables for goods and services		
-total outstanding dues to micro and small enterprises (refer to note 2.26)	<u>16,706,085</u>	<u>15,203,341</u>
-others	<u>291,611,644</u>	<u>181,658,183</u>
	<u>308,317,729</u>	<u>196,861,524</u>
2.7 Other current liabilities		
Interest accrued and due on borrowings	<u>5,372,250</u>	-
Employee payables	<u>8,635,392</u>	<u>11,587,593</u>
Statutory liabilities		
-Withholding and other taxes payable	<u>6,610,719</u>	<u>6,368,832</u>
-Contribution to provident and other funds	<u>926,757</u>	<u>1,207,179</u>
Advance from customers	<u>538,831</u>	<u>202,503</u>
Capital creditors	<u>104,569,553</u>	<u>17,669,186</u>
	<u>126,653,502</u>	<u>37,035,293</u>
2.8 Short-term provisions		
Provision for employee benefits		
- Gratuity (refer to note 2.25)	<u>453,950</u>	<u>237,997</u>
- Leave encashment	<u>133,279</u>	<u>93,458</u>
Other provisions		
- Provision for export obligations under EPCG License # (Refer note 2.36)	<u>4,897,065</u>	<u>4,579,028</u>
- Provision for wealth tax	<u>11,622</u>	-
	<u>5,495,916</u>	<u>4,910,483</u>
# inclusive of interest thereon.		

HELLA INDIA LIGHTING LIMITED



2.9 Fixed assets
Tangible Assets
(All amounts are in Indian Rupees)

Particulars	Gross Block			Depreciation			Net block	
	As at 1 April 2013	Additions during the year	Sales/ Adjustments during the year	As at 31 March 2014	upto 1 April 2013	Charge for the year	Sales/ Adjustments during the year	As at 31 March 2014
Land (Freehold)	118,322	-	-	118,322	-	-	-	118,322
Building	21,918,573	538,919	-	22,457,492	11,015,538	825,584	-	10,616,370
Leasehold improvements	14,917,513	-	-	14,917,513	2,600,034	5,302,691	-	7,014,788
Plant and equipment	112,840,713	40,292,237	-	153,132,950	75,254,227	7,696,593	-	70,182,130
Vehicles	6,848,110	1,724,160	285,188	8,287,082	3,475,068	934,973	285,188	4,162,229
Furniture and fixtures	6,137,388	767,496	-	6,904,884	3,520,101	314,793	-	3,069,990
Office equipment	2,111,656	278,240	-	2,389,896	1,228,962	233,837	-	927,097
Computers	14,437,845	1,500,440	-	15,938,285	11,351,055	1,388,598	-	3,198,632
Total	179,330,120	45,101,492	285,188	224,146,424	108,444,985	16,697,069	285,188	99,289,558

Previous Year (2012-2013)

Particulars	Gross Block			Depreciation			Net block	
	As at 1 April 2011	Additions during the year	Sales/ Adjustments during the year	As at 31 March 2013	As at 1 April 2012	Charge for the year	Sales/ Adjustments during the year	As at 31 March 2013
Land (Freehold)	118,322	-	-	118,322	-	-	-	118,322
Building	16,026,867	5,895,706	4,000	21,918,573	10,325,973	692,387	2,822	10,903,035
Leasehold improvements	1,645,558	13,271,955	-	14,917,513	1,226,070	1,373,964	-	12,317,479
Plant and equipment	96,240,149	17,482,400	881,836	112,840,713	69,456,125	6,421,185	623,083	37,566,486
Vehicles	2,876,115	3,971,995	-	6,848,110	2,793,773	681,295	-	3,373,042
Furniture and fixtures	5,556,287	1,828,006	1,246,905	6,137,388	3,880,929	383,555	744,383	2,617,287
Office equipment	1,835,525	505,407	229,276	2,111,656	1,220,360	174,029	165,427	882,694
Computers	14,139,170	1,834,261	1,535,566	14,437,845	11,356,569	1,300,588	1,306,102	3,066,790
Total	138,437,993	44,789,730	3,897,603	179,330,120	100,259,798	11,027,003	2,841,817	70,885,135



2.9 Fixed assets (Continued)

Capital work-in-progress	
Balance as at 1 April 2013	209,056,819
Additions	40,511,533
Less: Assets capitalised during the year	<u>168,545,286</u>
Balance as at 31 March 2014	952,500
Balance as at 1 April 2012	-
Additions	-
Less: Assets capitalised during the year	<u>952,500</u>
Balance as at 31 March 2013	-

1 . Net borrowing cost capitalised during the year amounts to ₹. 1,508,507 (previous year Nil)

Tangible Assets

Particulars	Gross Block		Amortisation		Net block As at 31 March 2014
	As at 1 April 2013	Additions during the year	As at 31 March 2014	Upto 1 April 2013 Charge for the year	
Computer Softwares	-	34,656,742	34,656,742	4,728,153	29,928,589
Total	-	34,656,742	34,656,742	4,728,153	29,928,589

HELLA INDIA LIGHTING LIMITED



(All amounts are in Indian Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
2.10 Non-current investments (Valued at cost unless stated otherwise)		
Trade - unquoted		
Investment in equity instrument		
Wegu Sondhi Private Limited	110,000	110,000
11,000 (previous year 11,000) equity shares of face value ₹ 10 each, fully paid up		
Drive Smart Drive Safe	20,000	-
2,000 (previous year Nil) equity shares of face value ₹ 10 each, fully paid up		
Other non-current investments		
National Highways Authority of India ('NHAI')	5,000,000	10,000,000
1,000 (previous year 1,000) Non convertible redeemable taxable bonds of face value ₹10,000 each carrying interest @ 6% per annum		
Total	5,130,000	10,110,000
Less: Aggregate amount of provision for other than temporary diminution in value of investment	-	-
	5,130,000	10,110,000

HELLA INDIA LIGHTING LIMITED



(All amounts are in Indian Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
2.11 Long-term loans and advances (unsecured, considered good unless otherwise stated)		
Capital advances		
Considered good	5,059,226	8,528,388
Considered doubtful	370,383	560,956
Less: Provision for doubtful advances	<u>370,383</u>	<u>560,956</u>
Security deposits	6,144,193	5,572,483
Income taxes recoverable	4,406,855	4,931,722
(net of provision Rs. Nil; previous year Rs. Nil)		
Loans and advances to related party		
Amount due from Hella India Automotive Private Limited (fellow subsidiary) (Refer note 2.28)	-	100,000,000
	<u>15,610,274</u>	<u>119,032,593</u>
2.12 Other non-current assets (unsecured, considered good unless otherwise stated)		
Balance with bank held as margin money with sales authorities	847,527	712,691
	<u>847,527</u>	<u>712,691</u>
2.13 Inventories (refer to note 2.34) (Valued at the lower of cost or net realisable value)		
Raw material and components [includes goods in-transit ₹ 14,073,665 (previous year ₹ 16,959,427)]	82,724,971	66,088,085
Work in-progress	2,851,377	3,476,633
Finished goods	35,742,582	36,554,681
Stores and spares	1,554,762	1,085,660
	<u>122,873,692</u>	<u>107,205,059</u>
2.14 Trade receivables (unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding six months from the date these are due for payment		
Considered good	4,582,803	2,309,518
Considered doubtful	2,546,296	4,560,774
Less: Provision for doubtful receivables	<u>2,546,296</u>	<u>4,560,774</u>
Other receivables		
Considered good	193,198,875	160,668,381
	<u>197,781,678</u>	<u>162,977,899</u>

HELLA INDIA LIGHTING LIMITED



(All amounts are in Indian Rupees)

Particulars	As at 31 March 2014		As at 31 March 2013	
2.15 Cash and bank balances				
Cash and cash equivalents				
Cash on hand	52,681		123,987	
Cheques on hand	-		239,115	
Balances with banks				
On current accounts	19,729,155		15,227,802	
Other bank balance				
Fixed deposit with original maturity of more than 3 months and due to mature within 12 months of the reporting date	100,000,000		10,000,000	
	<u>119,781,836</u>		<u>25,590,904</u>	
2.16 Short-term loans and advances (unsecured, considered good unless otherwise stated)				
Considered good	4,813,774		3,545,014	
Considered doubtful	1,618,165		1,612,953	
Less: Provision for doubtful advances	<u>1,618,165</u>	<u>4,813,774</u>	<u>1,612,953</u>	<u>3,545,014</u>
Balances with excise authorities				
Considered good	16,541,819		582,805	
Considered doubtful	4,491,608		4,491,608	
Less: Provision for doubtful advances	<u>4,491,608</u>	<u>16,541,819</u>	<u>4,491,608</u>	<u>582,805</u>
Loans and advances to related party				
Amount due from Hella India Automotive India Private Limited (fellow subsidiary) (Refer to note 2.28)				
	50,000,000		-	
Prepaid expenses	1,489,340		1,749,366	
Other advances	<u>2,597,764</u>		<u>1,097,350</u>	
	<u>75,442,697</u>		<u>6,974,535</u>	
2.17 Other current assets (unsecured, considered good unless otherwise stated)				
Interest accrued but not due				
- on fixed deposits with banks	3,793,497		277,680	
- on NHAI bonds	300,000		600,000	
- on inter Company loan to related party	-	<u>4,093,497</u>	<u>2,441,097</u>	<u>3,318,777</u>
		<u>4,093,497</u>	<u>3,318,777</u>	

HELLA INDIA LIGHTING LIMITED



(All amounts are in Indian Rupees)

Particulars	For the year ending	
	31 March 2014	31 March 2013
2.18 Other operating revenues		
Scrap sales	<u>3,015,175</u>	<u>2,986,598</u>
	<u>3,015,175</u>	<u>2,986,598</u>
2.19 Other income		
Interest		
- on fixed deposits with banks	970,398	5,395,502
- on NHAI bonds	600,000	600,000
- on interCompany loan to related party	<u>8,935,616</u>	<u>10,909,594</u>
Profit on sale of fixed assets	30,621	-
Liabilities and provisions no longer required written back	5,757,138	797,565
Miscellaneous income	<u>23,498,200</u>	<u>11,853,463</u>
	<u>39,791,973</u>	<u>29,556,124</u>
2.20 Cost of material consumed		
Raw material and components		
Opening stock	66,088,085	46,872,166
Add: Purchases	609,214,757	498,422,232
Less: Closing stock	<u>82,724,971</u>	<u>66,088,085</u>
	<u>592,577,871</u>	<u>479,206,313</u>
2.21 Changes in inventories of finished goods and work-in-progress		
Opening stock		
Finished goods	36,554,681	19,069,948
Work-in-progress	<u>3,476,633</u>	<u>4,430,813</u>
	<u>40,031,314</u>	<u>23,500,761</u>
Less: Closing stock		
Finished goods	35,742,582	36,554,681
Work-in-progress	<u>2,851,377</u>	<u>3,476,633</u>
	<u>38,593,959</u>	<u>40,031,314</u>
	1,437,355	(16,530,553)
Increase/(decrease) in excise duty on stock of finished goods	<u>(782,880)</u>	<u>3,358,195</u>
	<u>654,475</u>	<u>(13,172,358)</u>

HELLA INDIA LIGHTING LIMITED



(All amounts are in Indian Rupees)

Particulars	For the year ending 31 March 2014	For the year ending 31 March 2013
2.22 Employee benefits		
Salaries and wages	107,022,965	79,889,317
Contribution to provident and other funds	5,762,088	4,344,939
Staff welfare	6,595,487	7,537,411
	<u>119,380,540</u>	<u>91,771,667</u>
2.23 Other expenses		
Consumption of stores and spares (refer note 2.34 (d))	25,283,806	21,000,306
Power and fuel	10,737,226	10,279,242
Travelling and conveyance	19,219,246	20,181,351
Freight outward	24,557,649	21,314,562
Contractual manpower	25,410,335	22,429,978
Legal and professional	15,222,160	11,732,463
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
Reimbursement of expenses	275,000	466,744
Rent (refer note 2.29)	9,833,766	6,062,625
Rates and taxes	4,108,969	1,987,544
Insurance	3,439,160	1,936,506
Repairs and maintenance:		
on buildings	1,389,132	3,235,226
on plant and machinery	2,045,744	2,738,485
on others	22,353,960	16,434,068
Vehicle running and maintenance	1,958,405	1,470,813
Printing and stationery	911,929	850,978
Telephone	3,864,182	3,580,472
Bank charges	673,731	309,261
Exchange fluctuation (net)	4,475,293	993,965
Provision for doubtful receivables	-	2,555,928
Provision for doubtful advances	5,212	104,377
Fixed assets written off	-	1,055,786
Royalty	5,900,000	3,400,000
Advertisement and sales promotion	11,579,255	11,405,501
Miscellaneous	11,652,506	9,191,324
	<u>206,816,666</u>	<u>176,637,505</u>



Company overview

Hella India Lighting Limited, ('the Company') is a public limited Company and is incorporated under the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and Delhi Stock Exchange. The Company is primarily engaged in manufacturing of automotive lights, switches, blinkers etc.

1. Significant Accounting Policies

(i) Basis of preparation of financial statement

The financial statements are prepared on a going concern basis 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, under section 211 (3C) of the Companies Act, 1956 which, as

per a classification issued by the Ministry of Corporate Affairs, continues to apply under Section 133 of the Companies Act, 2013 (which has superseded Section 211 (3C) of the Companies Act, 1956 w.e.f. 12 September 2013), to the extent applicable, as adopted consistently by the Company. The financial statements have been prepared in Indian rupees.

(ii) 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.

(iii) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle within a period on 12 months.



(iv) Fixed assets and depreciation

Tangible fixed assets

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

Intangible fixed assets

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

Tangible fixed assets under construction are disclosed as capital work in-progress.

Fixed assets are being depreciated 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
Vehicles	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 ₹. 5,000 are fully depreciated in the year of purchase. Intangible assets comprising of computer softwares are amortised on a straight line method, over a period of 3 years.

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

(v) 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 Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

(vi) 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 Statement of Profit and Loss on a straight line basis over the lease period.

(vii) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification of Revised Schedule VI to the Companies Act, 1956.



Long term investments (including current portion thereof) are valued at cost less any other temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to Statement of Profit and Loss.

(viii) 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.

(ix) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The cost formula applied for inventories is weighted average. Cost comprises purchase price, cost of conversion and other cost incurred in bringing inventory to their present location and condition.

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.

(x) Borrowing Cost

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

(xi) Foreign currency transactions

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 Statement of Profit and Loss. Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the resulting exchange difference recognised in the Statement of Profit and Loss.

(xii) Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined 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 Statement of Profit and Loss 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 Statement of Profit and Loss.



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

Other long-term 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 Statement of Profit and Loss.

(xiii) 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.

(xiv) Provisions, contingent liability and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

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

(xv) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(xvi) 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 current charge for income tax is based on estimated tax liability as computed after taking credit for allowances and exemptions in accordance with the Income-tax laws applicable for the period. 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.

2.23. Commitments

	As at 31 March 2014	As at 31 March 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances ₹ 54,296,09 previous year ₹ 90,893,44)	9,701,880	16,954,839

2.24. 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 has filed appeals with High Court against these assessment orders, details of which are as under:



Name of the Statute	Nature of dues	Amount involved (Rs.)	Period to which the amount relates #	Forum where dispute is pending
Income-tax Act, 1961	Disallowance for foreign exchange fluctuation	3,119,228	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

#Assessment year

2.25. 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 ₹ 5,762,088 (previous year ₹ 4,344,939) pertaining to employers' contribution to Provident Fund and Employees' State Insurance is recognised as an expense and included in "Employee benefit expense" in note no. 2.22.

b) Gratuity Plan (defined benefit plan)

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

Particulars	As at 31 March 2014	As at 31 March 2013
Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	5,753,825	3,957,331
Interest cost	517,844	325,585
Current service cost	1,296,042	915,850
Benefits paid	(1,205,968)	(71,942)
Actuarial (gain)/loss	960,423	627,001
Present value of obligation at the end of the year	7,322,166	5,753,825
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	(960,423)	(627,001)
Actuarial (gain)/ loss for the year - plan assets	-	-
Total (gain)/ loss for the year	960,423	627,001
Actuarial (gain)/ loss recognised in the year	960,423	627,001
Amount recognised in the Balance Sheet		
Present value of obligation at the end of the year	7,322,166	5,753,825
Fair value of the plan assets in the end of the year	-	-
Funded status	(7,322,166)	(5,753,825)
Unrecognised actuarial (gains)/losses		
Liability recognised in the Balance Sheet #	(7,322,166)	(5,753,825)
# comprises short-term provision ₹ 453,950 (previous year ₹ 237,997) and long-term provision ₹ 6,868,216 (previous year ₹ 5,515,828).		



Particulars	As at 31 March 2014	As at 31 March 2013
Gratuity cost for the year	-	-
Current service cost	1,296,042	915,850
Past service cost	-	-
Interest cost	517,844	325,585
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised in the year	960,423	627,001
Expenses recognised in the Statement of Profit and Loss	2,774,309	1,868,436
Economic assumptions		
Discount rate	9.00%	8.25%
Expected rate of return on plan assets	-	-
Long term rate of compensation increase	6.50%	5.50%
Demographic assumptions		
Retirement age	58 years	58 years
Mortality table	IALM (2006-08) mortality tables	IALM (2006-08) mortality tables
Withdrawal Rates		
Ages	Withdrawal rate	Withdrawal rate
Upto 30 years	3%	3%
Upto 44 years	2%	2%
Above 44 years	1%	1%

Experience Adjustment

	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
Present value of obligation at the end of the year	7,322,166	5,753,825	3,957,331	3,313,410	2,292,210
Fair value of plan assets	-	-	-	-	-
Liability recognised in the balance sheet	7,322,166	5,753,825	3,957,331	3,313,410	2,292,210
Experience adjustments on Plan assets/liabilities gain/(loss)	854,294	(730,578)	(165,107)	(766,315)	(165,868)

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 2014 for the estimated term of the obligations.

2.26. 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:

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S.No.	Particulars	As at 31 March 2014	As at 31 March 2013
i)	the principal amount remaining unpaid to supplier as at the end of the year	14,690,587	12,231,021
ii)	the interest due on the principal remaining outstanding as at the end of the year	200,578	78,121
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	546,805	1,189,995
v)	the amount of interest accrued and remaining unpaid at the end of the year	2,015,498	2,972,320
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	-	-

2.27. Segment information

The Company is engaged in the business of manufacture and after sale support 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 2014			Year ended 31 March 2013		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment revenue	759,197,198	170,546,271	929,743,469	617,458,583	92,474,511	709,933,094
Segment assets	797,766,793	41,447,841	839,214,634	468,127,870	38,569,723	506,697,593
Capital expenditure	248,303,520	-	248,303,520	43,837,233	-	43,837,233

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 revenue and the accounting policies in relation to segment accounting are as under:

- 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.
- 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.

2.28. 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, are as follows:

a)	Related parties where control exists but with which no transactions have taken place during the year:-	
	Nature of the relationship	Name of the company/ Body corporate
1	Holding Company	Hella Holding International GmbH (formerly known as Reinhold Poersch GmbH)

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

Nature of the relationship	Name of the Company/ Party
1 Ultimate Holding Company	Hella KGaA Hueck & Co., Germany
2 i) Fellow subsidiaries (in India)	Hella India Automotive Private Limited
ii) Fellow subsidiaries (outside India)	Hella Fahrzeugteile Austria, Austria
	Hella Phil Inc., Philippines
	Hella Australia Pty. Limited, Australia
	Hella Asia Singapore Pte. Limited, Singapore
	Beifang Hella Automotive Lighting Ltd, China
	Hella Innenleuchten-Systeme Bratislava, Solakia
	Hella Japan Inc. , Japan
	Hella Inc., United States of America
	Changchun Hella Automotive Lighting Ltd., China
	Behr Hella Service GmbH, Germany
	Hella Fahrzeugkomponenten GmbH, Germany
	Hella Romania S.R.L., Romania
	Hella Trailer Systems GmbH, Germany
	Hella Saturnus Slovenija D.O.O., Slovenia
	Hella Leuchten-Systeme GmbH, Germany
	Hella Lighting Finland Oy, Finland
	Hella-New Zealand Ltd, New Zealand
	Docter Optics GmbH, Germany
	Hella (Xiamen) Automotive Electronics Co. Ltd., China
	Hella Automotive South Africa Pty. Ltd., South Africa
	Hella Middle East FZE, Dubai
	Hella Slovakia Signal-Lighting S.R.O
	Hella Guttman Solutions GmbH
	Hella Changchun Tooling Limited
3 Key management personnel	Mr. Rama Shankar Pandey (Managing Director)

c) Realty Party Transactions

Nature of transaction	For the year ended 31 March 2014	For the year ended 31 March 2013
Sale of products		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	43,925,126	32,688,410
Fellow subsidiaries		
- Hella India Automotive Private Limited	26,329	72,276
- Hella Fahrzeugteile Austria GmbH	3,091,468	4,840,094
- Hella Australia Pty. Limited	53,856	214,655
- Beifang Hella Automotive Lighting Ltd	1,147,697	1,428,926
- Hella Asia Singapore Pte. Limited	3,680,310	138,344
- Hella Inc.	48,742,214	24,744,116
- Hella Automotive South Africa Pty. Ltd.	14,486,706	7,645,364
- Hella Middle East FZE	18,642,041	7,719,898
- Hella PHIL. INC	513,786	-
Purchase of raw materials		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	47,265,987	36,396,224
Fellow subsidiaries		
- Hella India Automotive Private Limited	116,787,191	137,857,119
- Hella Fahrzeugteile Austria	2,658,458	378,696
- Hella Asia Singapore Pte. Limited	69,284,821	47,887,936
- Hella Inc.	103,567	73,061
- Hella New Zealand Ltd	542,953	2,963,558

HELLA INDIA LIGHTING LIMITED



Nature of transaction	For the year ended 31 March 2014	For the year ended 31 March 2013
- Hella Lighting Finland Oy, Finland	-	21,483
- Hella Trailer Systems	-	246,058
- Hella Saturnus Slovenija D.O.O	78,112,304	25,742,233
- Hella Leuchten-Systeme GmbH	-	5,613
- Behr Hella Services GmbH	337,648	593,323
- Docter Optics GmbH	1,038,005	-
- Beifang Hella Automotive Lighting Ltd.	-	80,971
- Hella (Xiamen) Automotive Electronics Co. Ltd.	2,146,590	955,542
- Hella Australia Pty. Limited	664,051	104,152
- Hella Gutmann Solutions GmbH	246,285	-
Long-term borrowings		
Ultimate holding Company	-	-
Hella KGaA Hueck & Co.	130,000,000	-
Loans and advances given		
To fellow subsidiaries		
- Hella India Automotive Private Limited	-	100,000,000
Loans and advances repaid		
From fellow subsidiaries		
- Hella India Automotive Private Limited	50,000,000	-
- Other income	-	-
Ultimate holding Company		
- Hella KGaA Hueck & Co.	21,077,817	7,820,959
Fellow subsidiaries		
- Hella India Automotive Private Limited	8,935,616	10,909,592
- Hella Fahrzeugteile Austria	1,548,353	-
- Hella Slovakia Signal-Lighting s.r.o	453,333	-
- Beifang Hella Automotive Lighting Ltd.	223,222	-

Nature of transaction	For the year ended 31 March 2014	For the year ended 31 March 2013
Legal and professional (cost sharing)		
Fellow subsidiaries		
- Hella India Automotive Private Limited	4,500,326	3,440,233
Salaries and wages		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	2,914,755	1,361,942
Repair and maintenance – others		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	18,970,382	10,336,903
Freight Outward		
Fellow subsidiaries		
- Hella Incorporated	3,939,069	-
Advertisement and sales promotion		
Fellow subsidiaries		
- Hella India Automotive Private Limited	-	2,462
Royalty expenses		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	5,900,000	3,400,000
Purchase of fixed assets		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	48,567,262	-

HELLA INDIA LIGHTING LIMITED



Nature of transaction	For the year ended 31 March 2014	For the year ended 31 March 2013
Fellow subsidiaries		
- Hella New Zealand Limited	-	7,639,450
- Hella Leuchtefn Systems GMBH	-	236,272
- Hella Saturnus Slovenija D.O.O	16,775,564	-
- Hella Changchun Tooling Ltd	29,547,112	-
- Hella Lighting Finland Oy	860,500	-
Reimbursement of expenses		
To ultimate holding Company		
- Hella KGaA Hueck & Co.	329,725	169,666
To fellow subsidiaries		
- Hella India Automotive Private Limited	213,845	4,214,369
- Hella Romania SRL	33,460	-
Reimbursement of expenses		
From ultimate holding Company		
- Hella KGaA Hueck & Co.	182,177	119,306
From fellow subsidiaries		
- Hella India Automotive Private Limited	-	2,304
- Hella Fahrzeugteile Austria GmbH	1,972,603	101,727
Managerial remuneration		
Key management personnel		
- Rama Shankar Pandey	6,248,950	5,805,934

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

Nature of transaction	As at 31 March 2014	As at 31 March 2013
Trade receivables		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	21,277,386	8,649,520
Fellow subsidiaries		
- Hella India Automotive Private Limited	7,069	19,865
- Hella Fahrzeugteile Austria GmbH	2,819,367	1,940,303
- Hella Australia Pty. Limited	-	70,071
- Beifang Hella Automotive Lighting Ltd	-	895,938
- Hella Inc.	6,796,896	18,689,377
- Hella Automotive South Africa Pty. Ltd.	1,980,845	5,369,522
- Hella Middle East FZE	4,631,122	2,147,796
- Changchun Hella Automotive Lighting Ltd.	173,541	146,919
- Hella Asia Singapore Pte. Limited	3,526,007	131,509
Long-term borrowings		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	130,000,000	-
Trade payables		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	92,703,192	29,638,994
Fellow subsidiaries		
- Hella India Automotive Private Limited	20,145,985	47,706,840
- Hella Fahrzeugteile Austria GmbH	700,449	166,510
- Hella Asia Singapore Pte. Limited	21,161,473	13,019,476
- Hella Inc.	103,599	73,820
- Hella Saturnus Slovenija D.O.O	81,423,670	21,714,461
- Hella Leuchten-Systeme GmbH	-	5,596
- Hella Lighting Finland Oy	-	21,720



Nature of transaction	As at 31 March 2014	As at 31 March 2013
- Hella New Zealand Limited	102,539	-
- Hella Australia Pty. Limited	244,830	64,676
- Beifang Hella Automotive Lighting Ltd	146,304	69,743
- Behr Hella Service-GmbH	20,804	586,337
- Hella (Xiamen) Automotive Electronics Co. Ltd.	203,217	995,363
- Hella Romania SRL	33,544	-
- Hella Gütman Solutions GmbH	243,034	-
Other current liabilities		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	5,372,250	-
Capital creditors		
Ultimate holding Company		
- Hella KGaA Hueck & Co.	42,626,609	-
Fellow subsidiaries		
- Hella New Zealand Limited	-	10,904,034
- Hella Saturnus Slovenija D.O.O	18,151,650	-
- Changchun Hella Automotive Lighting Ltd.	30,455,478	-
Loans and advances		
Fellow subsidiaries		
- Hella India Automotive Private Limited	50,000,000	100,000,000
Other current assets		
Fellow subsidiaries		
- Hella India Automotive Private Limited	-	2,441,097

2.29. 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 Statement of Profit and Loss during the year ended 31 March 2014 is ₹9,833,766 (previous year ₹ 6,062,625). The future minimum lease expense in respect of non cancellable lease is as follows:

Particulars	As at 31 March 2014	As at 31 March 2013
Not later than 1 year	7,228,238	5,432,268
Later than 1 year but not later than 5 years	3,176,911	8,178,847
Later than 5 years	-	-

2.30. Earnings/(loss) per share

Particulars	As at 31 March 2014	As at 31 March 2013
(Loss) after tax	(658,545)	(35,537,035)
Weighted average number of equity shares outstanding during the year	3,171,400	3,171,400
Basic and diluted earnings/ (loss) per share in rupees (face value – Rs. 10 per share)	(0.21)	(11.21)

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

2.31 Deferred taxes

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

Particulars	As at 31 March 2014	As at 31 March 2013
Timing differences between accounting and tax books on account of:		
Deferred tax assets		
Difference between written down value of fixed assets as per Income tax Act, 1961 and as per Companies Act, 1956	13,338,120	8,402,865
Provision for gratuity	2,262,549	1,777,932
Provision for leave encashment	911,611	1,006,236
Provision for doubtful receivables	786,805	1,409,279
Provision for doubtful advances	2,002,368	2,059,645
Provision for bonus	1,615,860	1,508,524
Provision for slow moving inventory	2,288,244	2,494,744
Provision for Impairment loss	13,101,600	13,101,600
Provision for Export Obligation – EPCG License	1,513,193	1,414,920
Unabsorbed depreciation and carry forward of losses under the Income-tax Act, 1961	60,489,825	62,892,304
Total	98,310,175	96,068,049

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.

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

Particulars	As at 31 March 2014		As at 31 March 2013	
	(In Foreign Currency)	(In Rupees)	(In Foreign Currency)	(In Rupees)
Trade receivables				
-EURO	407,332	32,818,752	216,876	14,793,124
-USD	147,380	8,629,090	446,845	23,776,599
Trade payables				
-EURO	2,122,330	178,409,056	638,324	43,518,364
-USD	361,928	22,153,585	388,525	12,372,751
-AUD	4,299	244,831	1,113	64,676
Capital creditors				
-EURO	782,587	65,627,780	24,080	1,705,856
-USD	-	-	165,673	9,198,178
-CNY	2,762,500	28,923,375	-	-
Cash in hand and at bank				
-SGD	-	-	7	296
-EURO	26,133	2,079,917	-	-
-USD	855	49,599	282	18,974

2.33. 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 and domestic 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 and domestic 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.

HELLA INDIA LIGHTING LIMITED



2.34 Additional information pursuant to the provisions of the Companies Act, 1956

a) Details of inventories of finished goods (in Indian Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Horns	3,769,748	7,245,148
Lamps	17,456,109	19,968,030
Others #	14,516,724	9,341,503
Total	35,742,581	36,554,681

There are no items that individually accounts for more than 10% of the total value of finished goods.

b) Details of turnover (in Indian Rupees)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Horns	184,759,090	219,104,767
Lamps	544,981,196	415,227,937
Others #	275,800,827	135,454,758
Total	1,005,541,113	769,787,462

There are no items that individually accounts for more than 10% of the total value of turnover.

c) Raw materials and components consumed

Particulars	As at 31 March 2014	As at 31 March 2013
CRC sheet/ CRC coil	5,555,559	5,957,111
Diffusing lenses	26,453,348	25,639,372
Motor	10,290,523	15,111,155
Horn (unfinished)	114,375,577	115,557,729
Others #	435,902,864	316,940,946
Total	592,577,871	479,206,313

There are no items that individually accounts for more than 10% of the total value of material consumed.

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

Item	For the year ended 31 March 2014		For the year ended 31 March 2013	
	Value (in Rupees)	%	Value (in Rupees)	%
Raw materials				
- Imported	262,343,513	44.27	101,047,436	21.09
- Indigenous	330,234,358	55.73	378,158,877	78.91
Total	592,577,871	100.00	479,206,313	100.00
Stores, spares and consumables				
- Imported	-	-	-	-
- Indigenous	25,283,806	100.00	21,000,306	100.00
Total	25,283,806	100.00	21,000,306	100.00

e) Value of imports on CIF Basis

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Raw materials	280,868,417	45,414,242
Capital goods	173,672,021	10,095,080


f) Expenditure in foreign currency

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Employee benefit expenses	8,399,880	3,891,774
Travelling	1,584,802	1,097,749
Repairs and maintenance- others	18,970,382	10,336,903
Royalty	5,900,000	3,400,000

g. Earning in foreign Currency

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
F.O.B. value of exports	140,163,158	83,686,880
Other income (Development of tools)	23,302,725	7,820,959

2.35. The promoters of the Company hold 81.85% of the total issued and subscribed equity capital of the Company and balance 18.15% stake is held by public shareholders. In 2005-06, the Company had applied for delisting from Delhi Stock Exchange ('DSE') and Bombay Stock Exchange ('BSE'). While DSE allowed the Company to delist, BSE rejected the application vide letter dated 15 February 2006. On appeal, the Securities Appellant Tribunal ('SAT') passed a favorable order for delisting of the Company. However, the said order of SAT was challenged before the Honourable Supreme Court of India by certain individual shareholders. The Supreme Court vide order dated 24 October 2008 stayed the delisting of the Company and the matter is currently sub-judice.

The management of the Company believes that pending such decision from the Hon'ble Supreme Court, the requirement of increasing /maintaining at least 25% of its equity shares with public by 3 June 2013, as required by Clause – 40 A of the Listing Agreement read with rule 19(2) (B) of Securities Contract Regulation Rules, 1957 ('SCRR') and related notifications in this regard, is not applicable to the Company. As a precautionary measure, vide letter dated 19 March 2013, the Company had written/ applied to SEBI seeking specific waiver to comply with the aforesaid conditions till the matter is sub-judice.

SEBI did not respond to the request of the Company and thereafter, issued notices to non-compliant companies vide order dated 4 June 2013. In a separate press release dated 4 June 2013, SEBI has also confirmed that notices were not issued to 3 companies as there matter are sub-judice.

Although the name of the Company have not been mentioned in the above referred list of non-compliant companies, the Company, as a matter of abundant caution, again sought a confirmation from CGM (Corporate Finance Department of SEBI) vide email dated 21 June, 2013 that they are one of those 3 companies where the matter is sub-judice, as mentioned in the Press Release. This understanding was confirmed by SEBI vide their email dated 16 July 2013.

Further to above, the case has appeared on 'list of curative' and 'review petitions' of Honourable Supreme Court.

In view of the above circumstances, the Company believes that there is no legal, regulatory and financial risk on the Company due to its inability to meet the requirements of Clause 40 A of the Listing agreement.

2.36. Disclosure in respect of Accounting Standard 29 'Provisions, Contingent Liabilities & Contingent Assets' as notified by the Companies (Accounting Standards) Rules, 2006 are as below: The Company has provided for contingent liability in respect of obligation under Export Promotion Capital Goods (EPCG scheme) for licenses availed and for which the Company has not fulfilled the export obligation. The disclosure of movement of provisions of AS - 29, 'Provision, Contingent Liabilities and Contingent Assets' issued by the Companies (Accounting Standards) Rules, 2006 is as follows:

HELLA INDIA LIGHTING LIMITED



Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Provision for export obligations under EPCG license		
Opening balance	4,579,028	4,260,991
Provisions made during the year	318,037	318,037
Provision utilized during the year	-	-
Closing balance	4,897,065	4,579,028

2.37. In view of continued losses incurred by the Company, during the year ended 31 March 2012, the management had done a detailed analysis to assess impairment of its fixed assets at the Derabassi factory, which is a separate cash generating unit. This analysis was based on future revenue growth and related expenditure and accordingly a provision of Rs. 424 lakhs had been created towards writing down the value of fixed assets to their recoverable amount in the year ended 31 March 2012. The recoverable amount was based on value in use which had been computed on the basis of discounted future cash flows projected by the management. This analysis had further been considered and taken on record by the Board of Directors in their meeting on 30 May 2012. Expense towards the impairment provision was included under the head Other expenses.

2.38. Previous period figures have been regrouped/ reclassified wherever necessary to confirm to current year's classification.

As per our report of even date attached.

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

Sd/-
Jiten Chopra
Partner
Membership No: 092894
Place: Gurgaon
Date: 27 May 2014

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

Sd/-
Rama Shankar Pandey
Managing Director
DIN No: 02848326
Place: Gurgaon
Date: 27 May 2014

Sd/-
Sarvesh Kumar Upadhyay
Company Secretary
Place: Gurgaon
Date: 27 May 2014

Sd/-
Dr. Gunther Schmidt
Director
DIN No: 03275140
Place: Gurgaon
Date: 27 May 2014

HELLA INDIA LIGHTING LIMITED



Form No. MGT-11 Proxy form

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

CIN : L74899DL1959PLC003126
Name of the company : Hella India Lighting Limited
Registered Office : B-13, Badarpur Extension, New Delhi – 110044.

Name of the member (s)	:	
Registered address	:	
E-mail Id	:	
Folio No/ Client Id	:	
DP ID	:	

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:
Address:
E-mail Id: Signature:, or failing him
2. Name:
Address:
E-mail Id: Signature:, or failing him
3. Name:
Address:
E-mail Id: Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 54th Annual general meeting of the company, to be held on the 30th day of September 2014 At 9:00 a.m. at Hotel Aravali Villa, F.H.-1, Bandh Road, N.H.-8, Rajokari, New Delhi – 110038 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....
- 6.....
- 7.....

Affix
Revenue
Stamp

Signed this day of September 2014

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

HELLA INDIA LIGHTING LIMITED



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 Shareholders:

Folio No./Client ID: _____

No of Shares held: _____

I hereby record my presence at the Annual General Meeting of the Company held on 30th September 2014 at 9:00 A.M. at Hotel Aravali Villa, F.H.-1, Bandh Road, N.H.-8, Rajokari, New Delhi – 110038.

Signature of the Shareholders or Proxy

Strike out whichever is not applicable

If undelivered, please return to :

HELLA INDIA LIGHTING LIMITED

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

