

LEADING  
WITH **ENERGY**

## Forward Looking Statement

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

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**Exide is more than a brand to millions of people in India. It is a promise for a better and a brighter life, for an aspiring society.**

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**Our customers continue to repose their trust in that promise and the legacy that sustains it.**

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**Our market leadership is driven by our deep customer insight. We engage with customers, listen to their evolving aspirations and integrate their insights into our products.**

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**To deliver on our stakeholder commitments we have drawn up our strategic imperatives: achieve higher operational efficiencies as an industry frontrunner; sharpen our R&D capabilities to remain a futuristic brand; deepen geographic footprint to touch more customers; and build a talent pool to elevate to the next level of growth. We also continue to be responsible to the community and the environment.**

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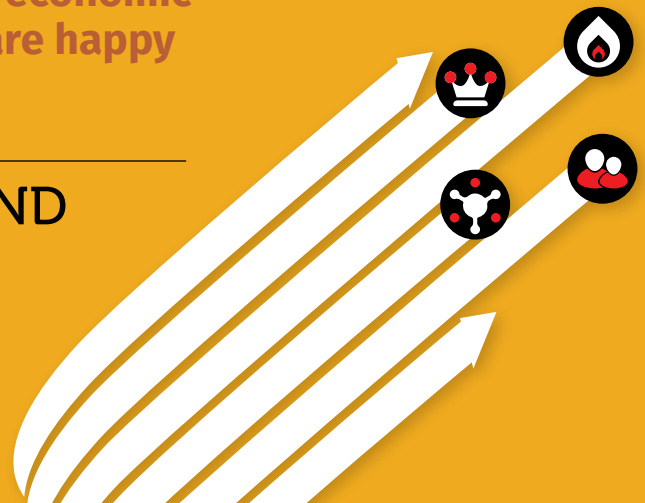
**Fiscal 2014-15 saw us working diligently on these strategic imperatives and growing sustainably.**

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**As India seeks new ways to power economic growth and social prosperity, we are happy to partner its progress.**

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**WE LEAD WITH ENERGY AND INFUSE DYNAMISM FOR A NATION ON THE MOVE.**



# BEING EXIDE

FOR MORE THAN SIX DECADES, EXIDE HAS BEEN ONE OF INDIA'S MOST RELIABLE BRANDS, ENJOYING UNRIVALLED REPUTATION AND RECALL. OUR EMPHASIS ON INNOVATION, EXTENSIVE GEOGRAPHIC FOOTPRINT, STRONG RELATIONSHIP WITH MARQUEE CLIENTS AND TECHNOLOGY UP-GRADATION WITH GLOBAL JOINT VENTURES HAVE MADE US A DISTINCT FRONTRUNNER IN THE LEAD-ACID STORAGE BATTERIES SPACE FOR BOTH AUTOMOTIVE AND INDUSTRIAL APPLICATIONS.

Our products cover a wide spectrum of applications, touching people's lives across more than 39 countries globally. We are also the largest power storage solutions company in South East Asia.



## VISION

Providing credible value addition to customers, employees and shareholders, while simultaneously being recognised by society as a responsible corporate citizen. In addition, achieving operational excellence while addressing and taking steps towards environmental protection.



## MISSION

Strive to carefully balance the interest of all stakeholders; to fulfil aspiration of the employees and to passionately pursue excellence without deviating from our core values.



## CORE VALUES

Fundamental axioms that the organisation believes in and which the people respect and work towards.

- Customer Orientation
- Personal Integrity & Commitment
- Teamwork and Mutual Support
- Employee Development and Involvement
- Striving for Excellence
- Management by Processes and Facts
- Responsible Corporate Citizenship



## WIDE RANGE OF APPLICATIONS



### AUTOMOTIVE

- + Passenger Vehicles
- + Automotive Stop Start
- + Commercial Vehicles
- + Tractors



### TWO WHEELERS

- + MC Conventional
- + Motorcycle MF
- + MC VRLA
- + E Bike



### OTHER AUTOMOTIVE

- + LI-Ion Hybrid Vehicles
- + Generator Starting
- + Flat Plate GEL



### MOTIVE POWER

- + Traction
- + Electric Vehicles
- + Golf Cart
- + Miner's Cap Lamp
- + Submarine - Type I, II, III



### STANDBY

- + Power
- + Telecom
- + UPS
- + Inverter



### RAILWAYS

- + Train Lighting & Air-Conditioning
- + Electric Multiple Units
- + Diesel Loco Starters
- + Signalling & Telecom

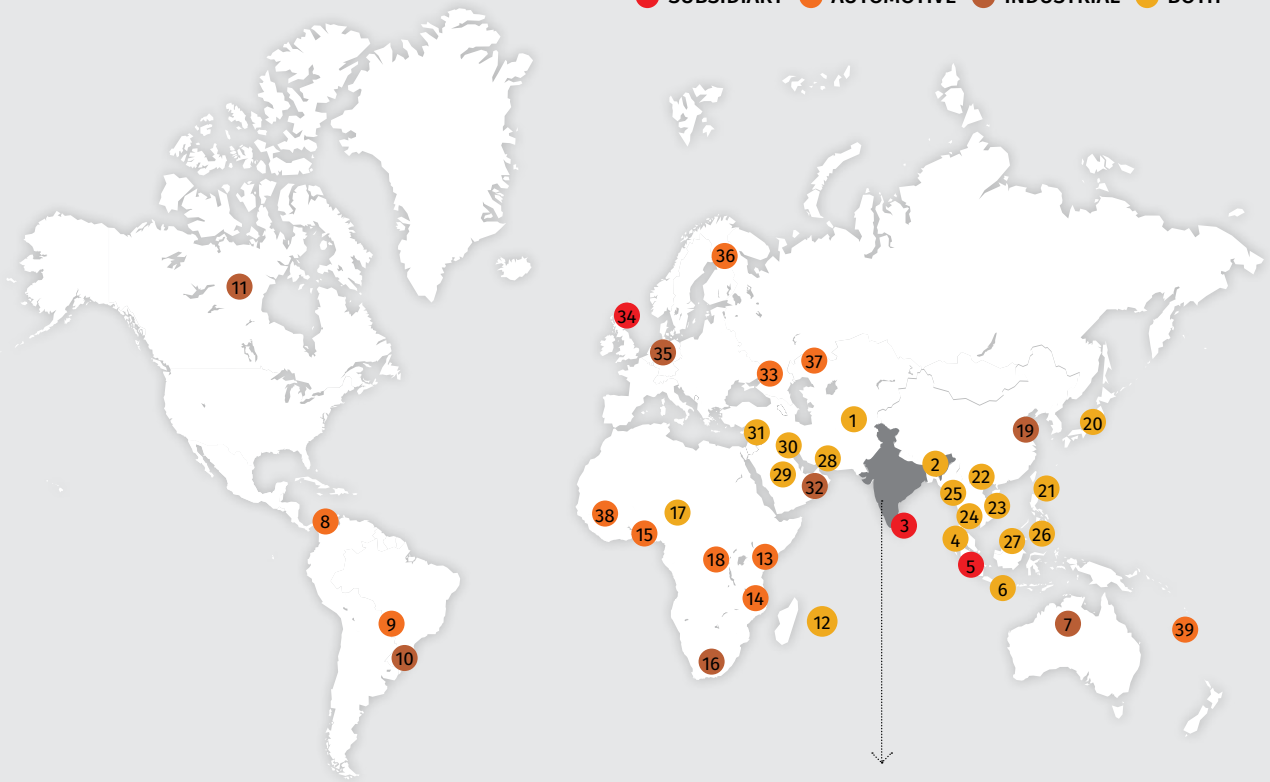


### NON CONVENTIONAL ENERGY

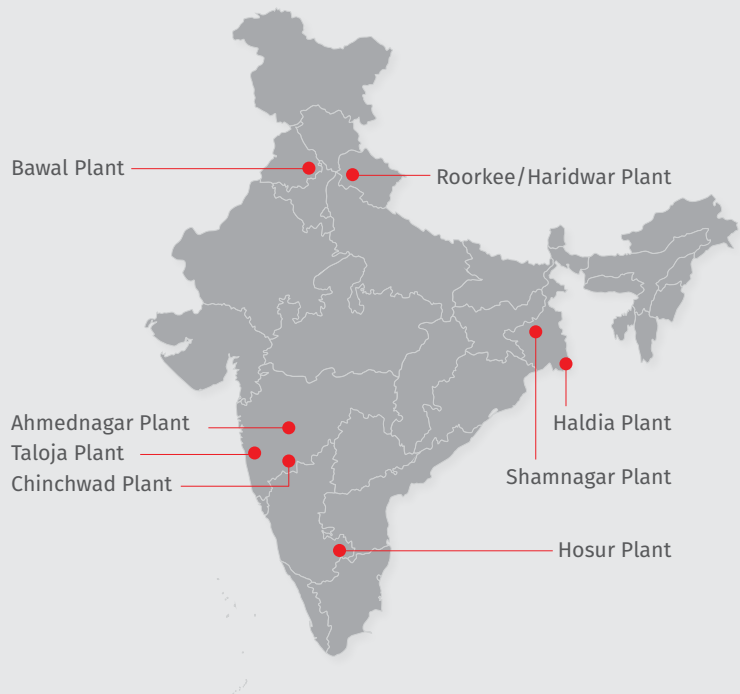
- + Solar

# WORLDWIDE PRESENCE

● SUBSIDIARY ● AUTOMOTIVE ● INDUSTRIAL ● BOTH



1	Afghanistan	21	Taiwan
2	Bangladesh	22	Hong Kong
3	Sri Lanka	23	Vietnam
4	Malaysia	24	Cambodia
5	Singapore	25	Thiland
6	Indonesia	26	Philippines
7	Australia	27	Brunei
8	Colombia	28	UAE
9	Paraguay	29	Qutar
10	Argentina	30	Bahrain
11	Canada	31	Kuwait
12	Mauritius	32	Oman
13	Kenya	33	Armenia
14	Tanzania	34	UK
15	Ghana	35	Germany
16	South Africa	36	Finland
17	Nigeria	37	Turkmenistan
18	Dr Congo	38	Liberia
19	South Korea	39	Fiji
20	Japan		





# A DECADE IN RETROSPECT

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Sales (Gross)	1606	2170	3294	3857	4122	5040	5672	6862	6755	<b>7655</b>
Operating Profit	229	317	476	551	902	983	751	860	850	<b>940</b>
Profit before tax	152	235	374	435	811	940	645	742	723	<b>798</b>
Taxation	51	80	124	151	274	274	184	219	236	<b>252</b>
Net Profit	101	155	250	284	537	666	461	523	487	<b>546</b>
Cash Profit	156	209	315	352	618	750	562	636	613	<b>685</b>
Earning Per Share (Rs.)	13.43	2.07 <sup>+</sup>	3.30	3.55	6.69	7.84	5.42	6.15	5.73	<b>6.42</b>
Dividend Payout*	26	31	37	56	95	140	145	156	178	<b>220</b>
<b>Balance Sheet</b>										
Net Fixed Assets**	408	455	565	653	685	874	967	1028	1025	<b>1168</b>
Investments	279	378	518	668	1335	1378	1555	1640	1967	<b>1896</b>
Current Assets	440	572	877	742	912	1329	1547	1856	1941	<b>2317</b>
<b>Total Assets</b>	<b>1127</b>	<b>1405</b>	<b>1960</b>	<b>2063</b>	<b>2932</b>	<b>3581</b>	<b>4069</b>	<b>4524</b>	<b>4933</b>	<b>5381</b>
Loans	290	325	350	317	90	2	-	-	-	<b>18</b>
Current Liabilities	282	407	572	487	593	796	954	1027	1120	<b>1205</b>
Sub Total	572	732	922	804	683	798	954	1027	1120	<b>1223</b>
Deferred Tax Liability	51	45	48	41	59	68	83	98	105	<b>126</b>
Net Worth**	504	628	990	1218	2190	2715	3032	3399	3708	<b>4032</b>
<b>Total Liabilities</b>	<b>1127</b>	<b>1405</b>	<b>1960</b>	<b>2063</b>	<b>2932</b>	<b>3581</b>	<b>4069</b>	<b>4524</b>	<b>4933</b>	<b>5381</b>
Book Value Per Share (Rs.) ***	6.72	8.37	12.37	15.22	25.76	31.94	35.67	39.99	43.62	<b>47.44</b>
Return on Net worth (%)	23.5	30.8	39.9	28.7	44.1	30.4	17.0	17.2	14.3	<b>14.5</b>

\* Including Dividend Distribution Tax

\*\* Net of Revaluation Reserve

\*\*\* At same per value of share

+ Post Sub-division of Shares

## 25%

Growth in Market Capitalisation

## 17%

Growth in Operating Profit (EBIDTA)

## 20%

Growth in Revenue

## 20%

Growth in Net Profit

## 20%

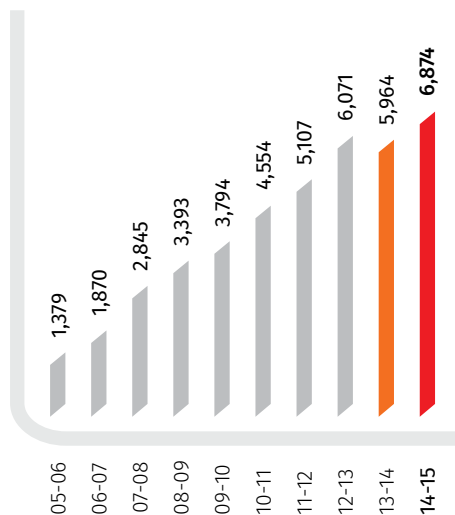
Growth in PBT

Growth Figures indicate CAGR

# ENERGISED PERFORMANCE

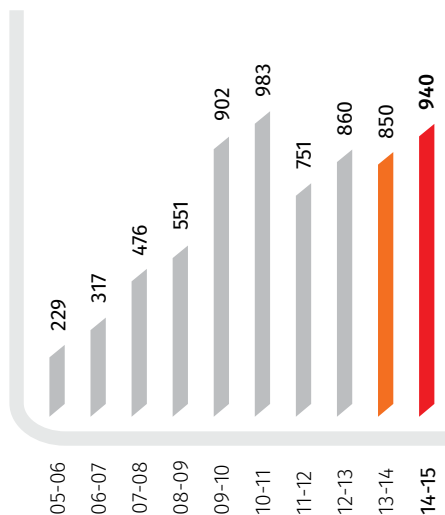
## TURNOVER GROWTH

(Rs. in Crore)



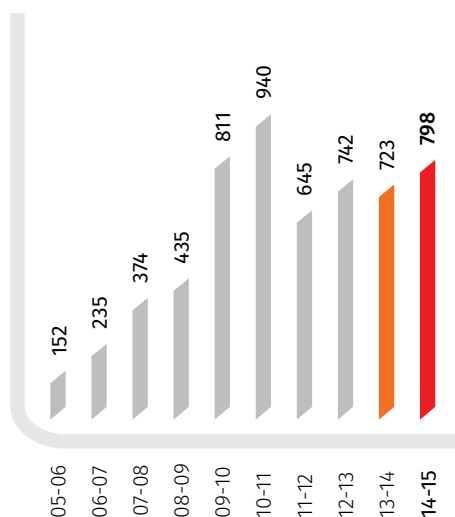
## OPERATING PROFIT (EBITDA)

(Rs. in Crore)



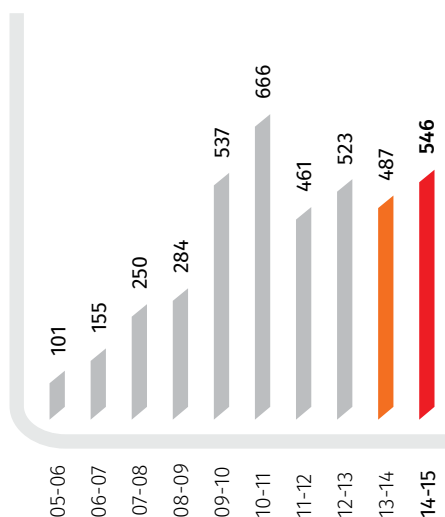
## PROFIT BEFORE TAX (PBT)

(Rs. in Crore)



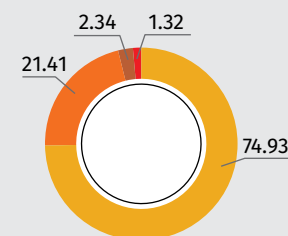
## PROFIT AFTER TAX (PAT)

(Rs. in Crore)



## SOURCES OF FUNDS

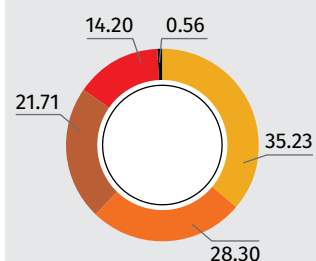
(%)



- Payable for Goods supplied & services rendered
- Proposed Dividend (including Tax on Dividend)
- Deferred Tax Liability
- Shareholders' Funds

## APPLICATION OF FUNDS

(%)



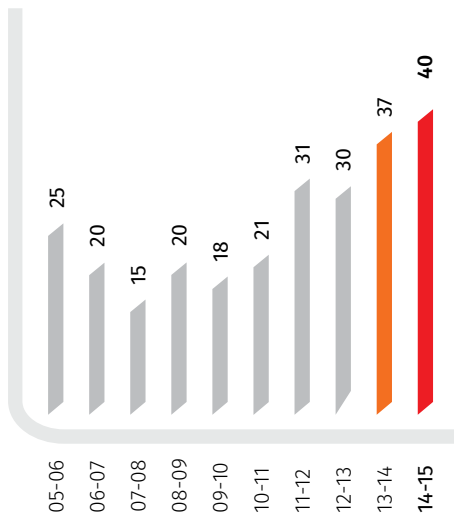
- Fixed Assets
- Inventories
- Investments
- Customers and Others
- Cash & Bank Balances





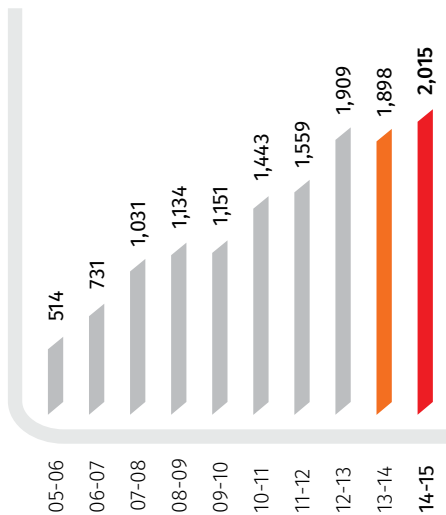
### DIVIDEND PAYOUT

(As % of PAT)



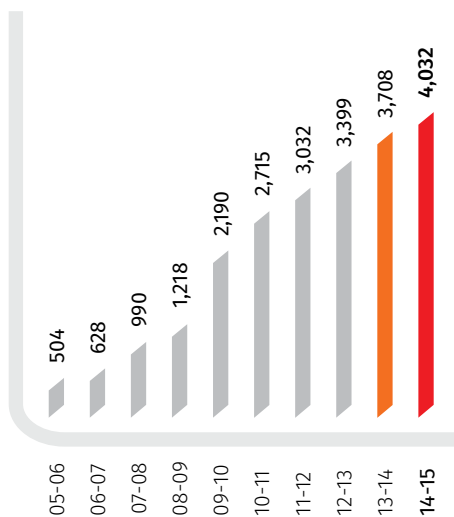
### CONTRIBUTION TO THE EXCHEQUER

(Rs. in Crore)



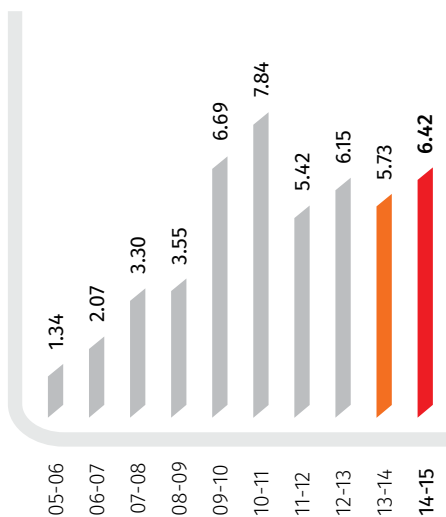
### SHAREHOLDERS FUNDS

(Rs. in Crore)



### EARNINGS PER SHARE

(Rs.)



# DECADES OF LEADERSHIP

**1920**

+ Chloride Electrical Storage Co. (CESCO), UK set up trading operations in India as Import House

**1946**

+ First factory established in Shamnagar, West Bengal

**1969**

+ Second factory established in Chinchwad, Pune

**1976**

+ R&D Centre established in Kolkata, West Bengal

**1981**

+ Third factory established in Haldia, West Bengal

**1994**

+ Technical collaboration with Shin Kobe Electric Machinery Co. Ltd., Japan, a subsidiary of the Hitachi Group

**1995**

+ Chloride Industries Ltd. renamed as 'Exide Industries Ltd.'

**1997**

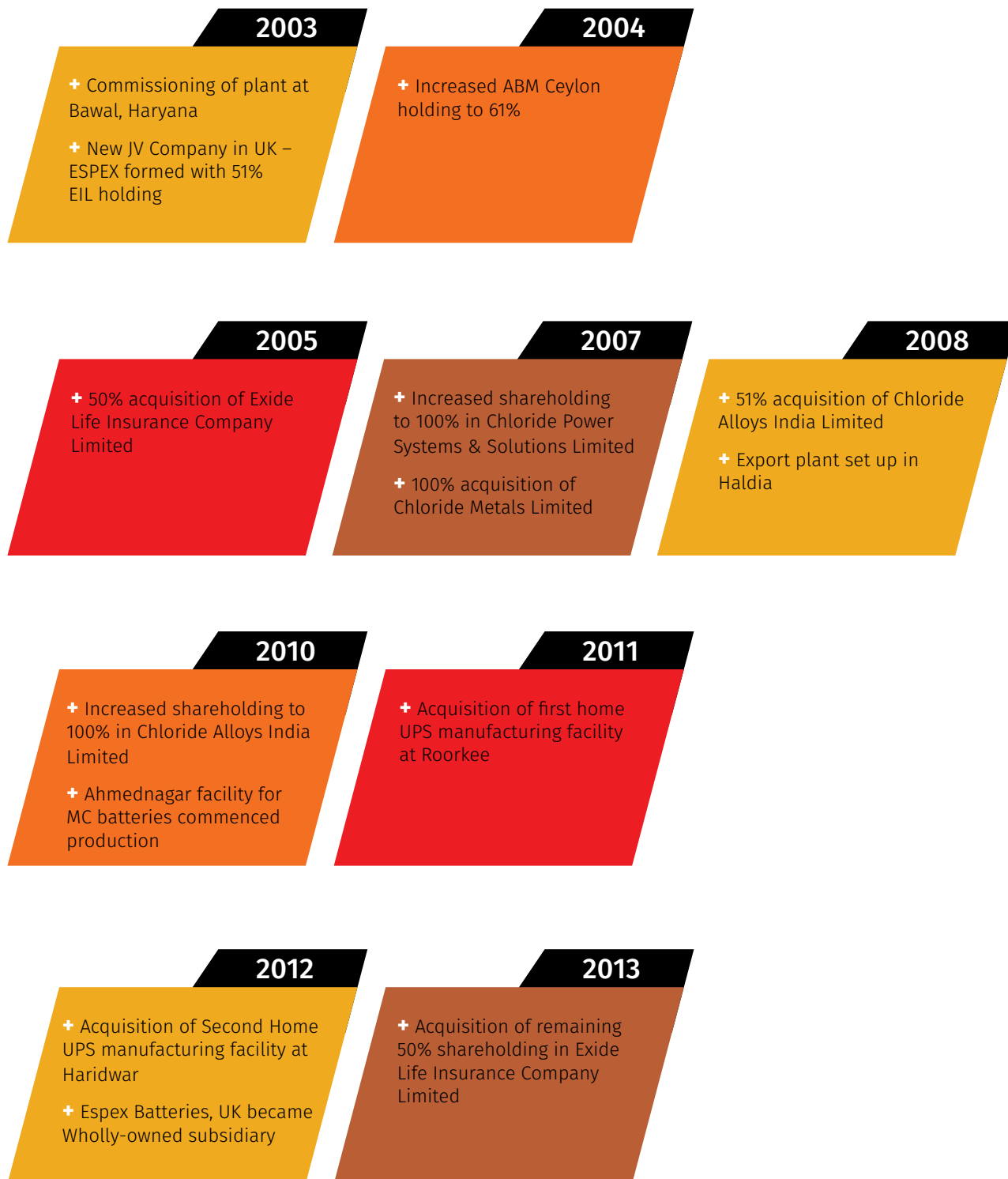
+ Fourth factory established in Hosur, Tamil Nadu

**1998**

+ Takeover of the industrial undertakings of Standard Batteries Ltd. as a going concern

**2000**

+ 100% acquisition of CBSEA, Singapore.  
+ 49% acquisition of ABM (Ceylon), Sri Lanka



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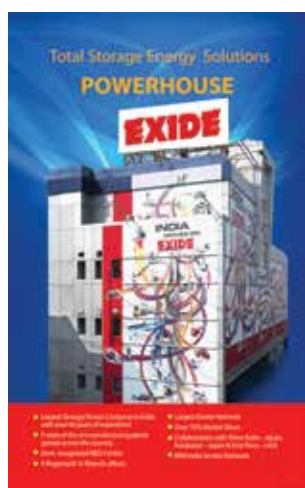
**FROM PASSENGER  
VEHICLES, COMMERCIAL  
VEHICLES, TWO WHEELERS,  
TRACTORS TO TELECOM,  
RAILWAYS, INDUSTRIES  
AND NON-CONVENTIONAL  
ENERGY SOURCES RUN THE  
PROMISE AND POWER OF  
OUR BRAND. WE ARE AN  
IMPORTANT ENABLER OF  
ECONOMIC AND SOCIAL  
PROSPERITY FOR MILLIONS  
OF PEOPLE GLOBALLY.**





# MIND TO MARKET LEADERSHIP

A brand's traction starts from the minds of customers. For decades, we have undertaken pioneering initiatives to evolve the lead-acid batteries sector and energise the lives of millions of people in India and the world around. Our capacities and wide range of innovations have helped us create a compelling brand recall.



## PIONEERING LEADERSHIP



First PP batteries in India



First to launch battery with warranty for life of the vehicle



First choice of major manufacturers



First to have totally sealed-for-life batteries in India



First to supply Li-ion in India



First to produce batteries for E-Bikes in India



First approved battery for Tata Nano



First to win export award for 10 years in a row from EEPC



## LEADERSHIP THROUGH TECHNOLOGY COLLABORATIONS



- + Part of Hitachi Group Japan
- + For automotive and industrial segments



- + For automotive batteries at Taloja factory



- + For technical collaboration and assistance

# INNOVATION THROUGH INSPIRATION

In a developing country like India, and in many other countries of the world, our products are making lives better and brighter every day. This reality inspires us to think smarter for a changing world. We listen to customer's aspirations and concerns and integrate those insights, while upgrading existing products or manufacturing new ones.

## OUR R&D STRATEGY REVOLVES AROUND THREE STRATEGIC IMPERATIVES:

- 1 Seeking better ways to manage operations;
- 2 Enhancing performance of existing products, based on customers' response;
- 3 Driving new product launches;

Incremental innovation helps us stay ahead of the curve in a competitive market scenario.

## DEDICATED R&D CAPABILITIES

Established in 1976, our proprietary Research and Development Centre at Kolkata, West Bengal is driving consistent innovation for better processes and products. The best-in-class facility is recognised by the Department of Scientific & Industrial Research, Ministry of Science & Technology, Government of India since April 1977.

### The R&D Centre has the following facilities:

- + Fully computerised and automated Product (Battery) Testing Laboratory
- + State-of-the-art analytical laboratory for carrying out chemical or physical tests of battery materials, components, including plastics and rubber items
- + Advanced research instruments, including Auto Labs, XRD analyzer and Gas Chromatograph, among others
- + Pilot plant for prototype battery production
- + Fully equipped mechanical workshop with CNC machines for the development of proto moulds and dies

## R&D FOCUS

- Cost Reduction and Value Engineering
- New Product Development
- New Technology Development
- Development/Improvement of New Manufacturing Processes and Equipment
- New Material Development
- Product Quality Management
- Applications Engineering

## 60+ MEMBERS

Comprising engineering graduates and PhDs in Science and Technology





## KEY R&D ACHIEVEMENTS

Our high efficiency and superior quality batteries suit India's industrial and automotive applications. With strong back-up from our R&D centre, we are consistently innovating new products, as well as bettering our existing products to meet the customer aspirations. Our achievements include:

- Advanced Ca-Ca products for car segment, with very low water loss and self-discharge rate
- Introduced Dual Lid for DIN batteries
- Patented side-vented Omega Lid design; leak resistant under extensive application regime
- Launched the 'Powersafe Plus' range in the 12V VLRA segment to enhance performance and add value to the product range
- Upgraded our manufacturing facility at Hosur, through introduction of grid planishing, orifice pasting, followed by COS assembly
- Introduced the Tubular Gel range of batteries in the market for both home and institutional segments

## NEW PRODUCTS



### Automotive

- Matrix, Mileage, Champion, Little Champion, Boss (niche) – Automotive
- Bikerz, Xplore, Xtreme, Boss (niche) – Two wheeler range



### Industrial

- **Premium Segment:** Launch of Tubular Gel Batteries for Telecom/Solar
- **UPS Segment:** AGM PowerSafe Plus Range
- **UPS Segment:** Exide ECO model in the economy segment and Exide XPRESS model in the premium segment of LKVA range. Launch of HKVA range from 2KVA to 12KVA
- **Home UPS Battery Segment:** INVAMASTER and TUBEMASTER range
- **Solar Segment:** Solar Blitz in the economy range



# GETTING CLOSER BY REACHING FURTHER

We have created significant domestic, as well as global presence through our strategically placed distribution network. Our channel partners have steadily deepened and widened their customer engagement initiatives, thereby increasing the visibility and popularity of our brand.

## AUTOMOTIVE

We have one of the robust networks of authorised distributors and dealers, driving higher growth across various markets. Our tertiary distribution network comprises garages called **humsafar partner network**. We have a dedicated dealer network for heavy commercial vehicles (C Dealer network) and tractor owners (Kisan dealer network). Our web-based CRM initiative ([exidereachout.com](http://exidereachout.com)) enables customers to register their batteries online with paperless warranty programmes, among other features.

**Project Kisan** is our on-going initiative to build an enduring relationship with customers, especially in rural areas. This service is offered free of cost when a team of company officials visits the villages and provides servicing for tractor batteries, irrespective of the brand.

**Project Highway** is our another on-going service programme to serve the truck segment. Under the scheme, we provide battery servicing facility on highways, which are availed by truck drivers.

To further strengthen our reach and deepen our penetration, we have to undertake initiatives for the influencers in the distribution network.

### Elevating customer service

Exide Care represents our flagship outlets, which reinforce our commitment to superior customer care and service. These outlets offer auto power solutions through our wide range of products. Exide Care outlets are designed to maintain specified service standards and offer complete customer delight and experience of the brand through a combination of state-of-the-art design, pleasant ambience, cutting-edge service technology and customer focus.



## 15,500+

Deep market penetration through dealers

## 14,250+

Tertiary distribution network through Humsafar outlets

## 775+

Exide Care outlets and another 875+ will get added in the near future



## INDUSTRIAL

Our continuous innovation in products and renewed thrust paid rich dividends in the telecom segment, with the division gaining significant market share. We introduced Tubular Gel range, as well as a superior AGM VLRA variant in the industrial sector, during 2014-15.

We won a major portion of Metro Railway project tenders. Although power segment was depressed, we continued to retain a dominant share in this segment. Our major initiatives in product design and marketing helped us dominate the renewable energy sector.

Our 'Exide Power Partner' scheme in home UPS segment was extremely successful in creating over 10,000 sub-dealers across the country, propelling our tubular range to the top position. Our exports registered a robust performance in 2014-15, largely contributed by the growth in the standby segment.

## GLOBAL REACH



Global footprint in  
**39 countries**



Subsidiaries in  
**3 countries**



Distributors present in  
**37 countries**

# PROGRESS THROUGH PEOPLE POTENTIAL

We are building a culture that celebrates and rewards superlative performance. We empower our people through motivation and training to ensure success of our business strategies and create a robust talent pool for the future.

## ENSURING SAFETY AT WORKPLACE

We are sensitive to the health and safety of our people. Therefore, our constant focus is to enhance the level of automation in our operations and reduce manual intervention. No serious accidents were reported last year in our plants, thanks to our emphasis on continuous training and maintenance of our plants.

Since our product contains lead, we conduct thorough vigilance on the threshold limit on lead exposure. We conduct health check-ups on an ongoing basis because our people come first for us.

## TRAINING AND DEVELOPMENT

At Exide, we believe in nurturing talent and building leaders, driven by the 'leaders build leaders' philosophy. This mindset ensures that leadership gets ingrained in all people across the Company, rather than placing it as the responsibility of a department or a few individuals.

### 3 focus areas last year

- Enhancing skills in sales and service cluster
- Training at XLRI on building awareness on cost optimisation
- Emphasised on leadership development at all levels to nurture our talent and make them responsible

## EMPLOYEE ENGAGEMENT

At Exide, employee is the most valuable resource of our organisation. With our vast spread of network and employee presence in over 206 locations across India, it is an immense challenge to connect and communicate to all employees.

To ensure a continual connect and as part of employee engagement activities at Exide, we have various forums for creating a sense of belonging to our organisation. It is also an opportunity, to meet and interact with employees from diverse backgrounds and culture. We have undertaken a host of programmes, which thrive on transparency and a culture of engaging with the people.

**a) Tea-Time with HR:** This is an annual event where personnel from corporate HR meet employees across the Company at their locations with a prime purpose of establishing a connect with employees across the organisation. This also becomes a forum for the employees to share their issues / queries directly with the HR. The forum is also used to communicate the Company's objectives, apart from enabling the HR to understand the business needs. It also provides an opportunity for HR to understand employee service related issues and generic people issues. This enables the corporate HR to review/clarify the people policies of the Company.

**b) HR Sampark:** While Tea-Time with HR is an annual event, HR Sampark is a service for employees to get their queries addressed in real-time basis. Through this service, employees contact the corporate HR through



phone/e-mail and obtain clarity on policies, procedures.

**c) HR Connect:** This is our intranet site which has a plethora of information about the Company, its policies, vision, among others for ease of employees. There are also FAQs on policies/practices.

**d) HR by YOU:** This is a forum for employees to suggest the HR policies that they would like to see in our organisation. HR by You is a concept where employees have experienced/heard an HR practice which they would like Exide to emulate. These are suggested by the employees to the Corporate HR, which in turn evaluates the idea for its implementation.

**e) Birthday Cards:** A small but a significant way in which we connect with our employees and their families on their birthdays. These customised birthday cards are exclusively designed by the children of our employees through a competition.



## EXIDE IS AN EMPLOYER OF CHOICE, BECAUSE:

- + We nurture talent;
- + We have a culture of transparency;
- + We instil professionalism;
- + We care for our people;
- + We are not a hire-and-fire company;
- + We do not follow strict hierarchy for HR issues;
- + We have strong values and ethics.



# BUSINESS REVIEW

## Automotive

Automotive segment primarily includes sale to major vehicle manufacturers and aftermarket sales. We primarily sell automotive batteries in the domestic market under brand names like Exide, SF and Sonic, among many others. We concentrate on Dynex, Index and Sonic brands for the export segment. Our Company has a significant market share of automotive OEM and organised retail. We also manufacture submarine batteries.

### OUR CLIENTS

#### Key MNC Customers



#### Key Domestic Customers



### OUTLOOK

We have clear cut goals and our competition is growing day by day in terms of organised sector. The unorganised sector is steadily losing market share. Our strategies are to ensure that we enhance our market share. Our strategies revolve around products, pricing, placement and promotion.

## Industrial

Our industrial segment includes sales to power back-up equipment (UPS and inverters), traction equipment (forklifts, golf carts, electric vehicles), infrastructure sector (railway, telecom, solar, power generation and utilities) and exports (traction and standby). We market our industrial batteries to the domestic market, under Exide, SF and CEIL brands. Internationally, our major brands are CEIL, Chloride and Index.





## OUR CLIENTS

### Key MNC Customers



### Key Domestic Customers



## OUTLOOK

Going forward, we will reinforce our position, with substantial gain in market share. The new government with proactive initiatives like Make in India, Smart Cities and Swachh Bharat Abhiyan, among others will drive the industrial momentum. This positive drive will create significant demand for batteries.

# Submarine

At Exide, we manufacture high-end submarine batteries conforming to the most stringent technical specifications and quality control standards. We are the country's only company to maintain a dedicated manpower to manufacture such specialised batteries.

We are one of the few battery manufacturers who are capable of manufacturing submarine batteries for a wide range of submarine designs, such as Russian (Foxtrot/ Romeo/ Kilo/ 636/ Amur class), German (209 class), French (Scorpene class) and Indigenous (Nuclear powered) design submarines.

Currently, we are manufacturing two sets to export to Algeria and two are in the pipeline to export to Russia (Admiralty shipyard). Our batteries for Russian submarines are certified by Russian design agency 'Rubin', as compliant to norms. Our manufacturing facility has ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 certifications.



# COMMUNITY INITIATIVES

We believe any business enterprise has to take the community along, in its journey forward. Our business agenda can be truly successful if our initiatives benefit the community. We are deeply committed to contribute towards social wellbeing, through our consistent efforts.

## CHILD IN NEED INSTITUTE (CINI)

We partnered with Child In Need Institute (formerly CINI-Asha), a reputed NGO to improve lives of the urban marginalised population, through education, health and social mobilisation. We are working with CINI for the last seven years to run a project called '[Lighting Up Young Lives – Improving Child Health Outcomes Through Community Participation](#)'.

This project's primary objective is to ensure proper growth and development of slum children up to six years of age through various need-based initiatives.

A trained adolescent girl is responsible to impart stimulation to 12 children within her community. This ensures their proper physical, cognitive, language and socio-emotional development. Adolescents engaged with this programme were not only empowered with life skills training, but the incentive provided to them helped them complete their higher education.







## COMMUNITY DEVELOPMENT

Our factories are located in relatively remote areas, where the available social infrastructure for the locals is inadequate. We are viewed by the local community as a major stakeholder in their day-to-day lives. Communities in the immediate vicinity of our factories form our very important stakeholder group. Thus, we try to discharge our duties as a responsible corporate citizen in a committed manner.

Our factory level CSR activities are therefore geographically restricted to the immediate vicinity of the factory. The activities differ from factory to factory, depending on the local community's requirements.

However, our CSR activities are divided into three categories – **health of the community, educational needs of the community and environmental protection of the community.**

In the area of health related activities, we typically run health camps in local villages from time-to-time. In case of any natural calamity in any nearby area we are always one of the first to reach the local community with help. The medical facilities available in the factories are principally for the factory personnel. However, locals are also given health advice from here. Some factories even run mobile health clinics in the nearby villages.

We often support local village schools in the form of providing educational infrastructure, such as building classrooms or providing basic furniture for school children. These activities are undertaken after a thorough discussion with school authorities and village elders. Once the need of the community is understood, we extend our resources to help them.

Environmental protection of the vicinity around our factories is seen as a principal responsibility of the local factory management. Regular afforestation projects are also undertaken in villages around our factories. Such initiatives are carried out in collaboration with the government and local people.

# BEING RESPONSIBLE

Lead, the most critical raw material, in a lead acid storage battery is recyclable. Recycling an old battery to reclaim its lead content is not only socially and environmentally desirable, it also makes perfect economic sense for everyone involved in the value chain. We buy back old batteries as a part of our commitment to help protect the environment, and also to reduce the share of the unorganised market.

At Exide, through our dealers we buy back old batteries from our customers and recycle them in smelters in various parts of the country. We have two modern and hi-tech lead smelters (100 per cent subsidiaries), one near Bangalore (Chloride Alloys) and another near Pune (Chloride Metals), where we recycle old batteries. We also use third party smelters in the country's other parts, where old batteries procured by us are recycled and the lead is sold back to us in ingot form.

## SMELTING UNITS

**Chloride Metals Limited**

Location : Pune

Capacity - 54,000 Mt p.a

**Chloride Alloys India Limited**

Location : Bangalore

Capacity - 114,000 Mt p.a.





# AWARDS AND ACCOLADES



FY 2014-15

- + Won the Green Tech Safety Award – 2014
- + Received Gold Award from Arogya World Trust for creating 'Healthy Workplace'
- + Received the Silver Recognition Award in OSH India Chennai 2014
- + Won the Tamil Nadu State Safety Award from the Labour Minister, Government of Tamil Nadu
- + Won Gold Award in Competition for Maintenance Personnel from ABK-AOTS DOSOKAI
- + Received 4+ star grading in quality and 5 star grading in delivery from HMI
- + Received the Quality Improvement Award – 2014 from M/s Hyundai
- + Received the MSIL - Design & Development Award for EIL SF R&D Taloja Plant, during MSIL Vendor Conference, Dubai
- + Won the Manufacturing Today - Runner Up Award for Excellence in Operation (Large) category
- + Awarded with GM-QSB Certificate for three years (2014-17)
- + Received 15th Annual Greentech Environment Award 2014 – Silver category

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Mr. R. G. Kapadia

*Chairman & Non-Executive Director*

### Mr. R. B. Raheja

*Vice-Chairman & Non-Executive Director*

### Mr. P. K. Katakya

*Managing Director & Chief Executive Officer*

### Mr. G. Chatterjee

*Joint Managing Director*

### Mr. A. K. Mukherjee

*Director- Finance & Chief Financial Officer*

### Mr. Nadeem Kazim

*Director-HR & Personnel*

### Mr. Subir Chakraborty

*Director-Industrial*

### Mr. Vijay Aggarwal

*Non-Executive Director*

### Ms. Mona N Desai

*Non- Executive Director*

### Mr. W. Wong

*Non-Executive Director (upto 22nd July, 2014)*

### Mr. Sudhir Chand

*Non-Executive Director*

### Mr. Bharat D Shah

*Non-Executive Director (w.e.f 30th April, 2015)*

## SECRETARY

Mr. Jitendra Kumar

## AUDIT COMMITTEE

Mr. R.G. Kapadia

Mr. Vijay Aggarwal

Ms. Mona N Desai

Mr. Sudhir Chand

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Vijay Aggarwal

Mr. R. G. Kapadia

Mr. P. K. Katakya

Ms. Mona N Desai

Mr. Sudhir Chand

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Sudhir Chand

Mr. P. K. Katakya

Mr. G. Chatterjee

## SHARE TRANSFER COMMITTEE

Mr. P. K. Katakya

Mr. G. Chatterjee

Mr. A. K. Mukherjee

Mr. Nadeem Kazim

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. R. G. Kapadia

Mr. Sudhir Chand

Mr. P. K. Katakya

Mr. G. Chatterjee



## **BANKING OPERATIONS COMMITTEE**

Mr. P. K. Katakya  
Mr. G. Chatterjee  
Mr. A. K. Mukherjee  
Mr. Nadeem Kazim

## **RISK MANAGEMENT COMMITTEE**

Mr. P. K. Katakya  
Mr. A. K. Mukherjee  
Mr. Nadeem Kazim

## **EXECUTIVE COMMITTEE**

Mr. P. K. Katakya  
Mr. G. Chatterjee  
Mr. A. K. Mukherjee  
Mr. Nadeem Kazim  
Mr. Subir Chakraborty  
Mr. Jitendra Kumar

## **STATUTORY AUDITORS**

M/s S. R. Batliboi & Co. LLP  
Chartered Accountants  
22, Camac Street  
3rd Floor, Block 'C'  
Kolkata – 700 016

## **COST AUDITORS**

M/s Shome & Banerjee  
Cost Accountants  
5A, Nurulla Doctor Lane (West Range)  
2nd Floor, Kolkata – 700 017

## **SECRETARIAL AUDITOR**

M/s S. M. Gupta & Co.  
Company Secretaries  
P-15, Bentinck Street  
Kolkata - 700 001

## **BANKERS**

State Bank of India  
Standard Chartered Bank  
Citibank N. A.  
The Hongkong and Shanghai  
Banking Corporation Limited  
BNP Paribas  
HDFC Bank Limited  
Deutsche Bank AG  
ICICI Bank Limited  
The Royal Bank of Scotland N.V.  
Bank of America N. A.  
Axis Bank Limited  
Yes Bank Limited  
IDBI Bank Limited

## **REGISTRAR AND SHARE TRANSFER AGENT**

C. B. Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata- 700 019

## **SOLICITORS**

M/s A. H. Parpia & Co.  
Advocates & Solicitors  
203-204 Prabhat Chambers  
92 S V Road, Khar (West)  
Mumbai- 400 052

## **REGISTERED OFFICE**

EXIDE HOUSE, 59E, Chowringhee Road,  
Kolkata- 700 020  
Phone: (033) 2283-2120/2150, Fax: (033) 22832642  
CIN: L31402WB1947PLC014919  
E-mail: exideindustrieslimited@exide.co.in  
Website: www.exideindustries.com

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 68th Annual General Meeting of the Company will be held at Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017 on Friday, the 31st day of July 2015 at 11 AM to transact the following business:-

## ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended March 31, 2015 and the Balance Sheet as at that date along with the consolidated financial statements of the Company as on March 31, 2015 together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr R B Raheja who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT M/s S. R. Batliboi & Co. LLP, Chartered Accountants, be and is hereby appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company.”

## SPECIAL BUSINESS

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

“RESOLVED THAT a remuneration of Rs. 9,00,000/- (Rupees Nine Lakhs only) plus out of pocket expenses and applicable taxes, payable to M/s Shome & Banerjee, Cost Accountants, for audit of the cost records of the products manufactured by the Company for the year ending March 31, 2016 as approved by the Board of Directors, be and is hereby ratified.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr Bharat Dhirajlal Shah (holding DIN 00136969), Additional Director of the Company, who vacates office at the conclusion of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2020.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the variation in the period, remuneration and terms and conditions of appointment of Mr A K Mukherjee, Director-Finance and Chief Financial Officer, be and are hereby approved with effect from May 1, 2015 upto April 30, 2020 as detailed in the Explanatory Statement under Section 102(1) of the Companies Act, 2013 annexed to the Notice convening the meeting.”

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



“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the variation in the period, remuneration and terms and conditions of appointment of Mr Nadeem Kazim, Director- HR & Personnel, be and are hereby approved with effect from May 1, 2015 upto April 30, 2020 as detailed in the Explanatory Statement under Section 102(1) of the Companies Act, 2013 annexed to the Notice convening the meeting.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the variation in the period, remuneration and terms and conditions of appointment of Mr Subir Chakraborty, Director – Industrial, be and are hereby approved with effect from May 1, 2015 upto April 30, 2020 as detailed in the Explanatory Statement under Section 102(1) of the Companies Act, 2013 annexed to the Notice convening the meeting.”

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

“RESOLVED THAT in supersession of the resolution passed by the members at its Annual General Meeting held on July 22, 2014 and pursuant to the provisions of Sections 149, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and subject

to such other approvals/permissions as may be necessary, consent of the Company be and is hereby accorded for payment of remuneration by way of commission of upto one percent of the net profits of the Company to Mr Rajesh G. Kapadia, Chairman and Mr Bharat Dhirajlal Shah, Independent Non-Executive Director of the Company, provided that such total amount of commission payable in any financial year shall not exceed Rs. 1,00,00,000/- (Rupees One Crore only) per annum, with effect from April 1, 2015, in addition to the sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company, be and are hereby jointly and/or severally authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof), the new set of Articles of Association of the Company, be and is hereby approved and adopted as the new set of Articles of Association of the Company, in substitution for, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company, be and are hereby jointly and/or severally authorised to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution”.

By Order of the Board

**Jitendra Kumar**

Company Secretary and  
Sr Vice President – Legal

Date: April 30, 2015



## NOTES

- a. **A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. A person can act as a Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member. The instrument 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.**
- b. A Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed.
- c. The Register of Members and Share Transfer Books of the Company will remain closed from July 25, 2015 to July 31, 2015, both days inclusive. Final Dividend as recommended by the Board of Directors, if approved at the aforesaid Annual General Meeting, shall be paid to those shareholders whose names appear in the Register of Members of the Company, after giving effect to all valid share transfer(s) in physical form lodged with the Company on or before July 24, 2015 and in respect of shares held in electronic form, to those (deemed members) whose names appear on the Statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the end of business hours on July 24, 2015.
- d. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Clause 49 (VIII)(E) of the Listing Agreement with the Stock Exchanges, is annexed to this Notice.
- e. E-voting facility is being provided to all members pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchanges. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for providing e-voting facilities. E-voting is optional. The e-voting rights of the Members/beneficial owners shall be reckoned in proportion to the equity shares held by them in the Company as on July 24, 2015 (Cut-off date fixed for this purpose). Members holding shares either in physical form or in dematerialised form who do not cast their vote electronically, may cast their vote at the Annual General Meeting only. Detailed instructions for availing of the e-voting facility are given separately along with this Notice.
- The Results of e-voting will be announced by the Company in its website as well as on the website of CDSL within three days from the date of the Meeting or any adjournment thereof and also informed to the Stock Exchanges where the Company's shares are listed, i.e., NSE, BSE and CSE.
- f. Please note that pursuant to Section 124 of the Companies Act, 2013, Dividend for the financial year ended March 31, 2008 which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government on August 2015. Particulars of shareholders who have not encashed their dividend warrants from the financial year ended March 31, 2008 onwards are available in the Company's website at [http://www.exideindustries.com/unclaimed\\_dividend.html](http://www.exideindustries.com/unclaimed_dividend.html) and also on the website of the Ministry of Corporate Affairs.
- g. Members holding shares in physical form are requested to notify/send the following particulars to the Company or its Registrar to facilitate better service:-
- i. Bank account details, in case the same have not been sent earlier;





- ii. Any change in their address/bank details; and
- iii. Details of share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
- h. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective depositories, viz., NSDL and CDSL, will be considered for payment of dividend through ECS.
- i. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form may submit their PAN to the Company or to the Registrar and Share Transfer Agent.
- j. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically. Further, in case of any change in the e-mail address registered with the Company a fresh e-mail id may kindly be sent to the Company.

### **VOTING THROUGH ELECTRONIC MEANS**

- I.** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by Companies (Management and Administration) Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 68th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL) which includes remote e-voting.

### **II. The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **July 28, 2015 at 9.00 A.M.** and ends on **July 30, 2015 at 5.00 P.M.** During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (i.e. **July 24, 2015**), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through polling paper shall be made available at the AGM on **July 31, 2015** and the members as on the “cut-off date” i.e. **July 24, 2015**, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper / polling paper.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on “Shareholders” tab
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted earlier for any company, then your existing password is to be used.

- (vii) 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> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number appearing on the enclosed Attendance Slip cum Electronic Voting Particulars in the PAN field.</p>
DOB	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.
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> <p>● 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 as mentioned in instruction (vii).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach 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 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Exide Industries Limited.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Institutional Shareholders**

- 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.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user, which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [cosec@exide.co.in](mailto:cosec@exide.co.in)

- III. Any person who acquires shares and becomes Member after dispatch of Notice of 68th AGM and holds shares as on the cut-off date of July 24, 2015 may obtain the sequence number for remote e-voting by sending a request to the Company’s RTA at [rta@cbmsl.com](mailto:rta@cbmsl.com)
- IV. Mr. A K Labh, Practicing Company Secretary (FCS-4848/ CP-3238) of M/s A. K. Labh & Co. Company Secretaries (email id: [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com)) of 40, Weston Street, 3rd Floor, Kolkata 700 013 has been appointed as Scrutinizer to scrutinize the remote e-voting and voting process to be carried out at the AGM in a fair and transparent manner.
- V. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his/her vote.

- VI. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot paper. The Members who have already cast their vote by remote e-voting prior to the meeting and attending the meeting shall not be entitled to cast their vote again.
- VII. The Results on the resolutions will be declared not later than three days of conclusion of the AGM i.e. August 3, 2015. The declared results along with the Scrutinizer’s Report will be available on the Company’s website at [www.exideindustries.com](http://www.exideindustries.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and will also be forwarded to the Stock Exchanges where the Company’s shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

By Order of the Board

**Jitendra Kumar**

Company Secretary and  
Sr Vice President – Legal

Date: April 30, 2015

### **Explanatory Statement required under Section 102 (1) of the Companies Act, 2013.**

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

The Board of Directors at its meeting held on April 30, 2015 re-appointed M/s Shome & Banerjee, Cost Accountants to audit the cost records of the products manufactured by the Company for the year ending March 31, 2016. At the same meeting held on April 30, 2015 the Board of Directors approved a remuneration of Rs. 9,00,000/- (Rupees Nine Lakhs) plus out of pocket expenses and applicable taxes payable to M/s Shome & Banerjee, Cost Accountants for conducting such audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors shall be approved by the Board of Directors and subsequently ratified by the Members of the Company. Accordingly, the

remuneration payable to M/s Shome & Banerjee, Cost Accountants, for conducting the cost audit for the year 2015-16, as approved by the Board of Directors, is being placed before the Members for ratification.

The Directors recommend adoption of the Resolution at Item No.5 of the Notice by the Members. None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the Resolution set out at Item no.5 of the Notice.

#### **ITEM NO. 6**

Pursuant to Section 161 of Companies Act, 2013, the Board of Directors at its meeting held on April 30, 2015 approved the appointment of Mr Bharat Dhirajlal Shah as an Additional Director of the Company to hold such office till the conclusion of the ensuing Annual General Meeting of the Company.

In terms of Section 149 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013, Mr Bharat Dhirajlal Shah being eligible, offers himself for appointment and is proposed to be appointed as an Independent Director for a period of five consecutive years, at the ensuing Annual General Meeting. A Notice has been received by the Company from a Member proposing the candidature of Mr Bharat Dhirajlal Shah as a Director of the Company.

In the opinion of the Board, Mr Bharat Dhirajlal Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr Bharat Dhirajlal Shah as an Independent Director setting out the terms and conditions of appointment would be available for inspection without any fee by the members at the Registered Office of the

Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr Bharat Dhirajlal Shah as an Independent Director, for the approval by the shareholders of the Company.

Except Mr Bharat Dhirajlal Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the resolution set out at Item No. 6 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

#### **ITEM NOS. 7, 8 & 9**

At the 66th Annual General Meeting of the Company held on July 16, 2013, the Members approved variation in the terms of appointment of Mr A K Mukherjee, Director-Finance & Chief Financial Officer and Mr Nadeem Kazim as Director - HR & Personnel, for a period of five years with effect from May 1, 2013 upto April 30, 2018. In the said meeting they also approved the terms and conditions of appointment of Mr Subir Chakraborty, Director - Industrial for a period of five years with effect from May 1, 2013 upto April 30, 2018.

The Board of Directors of the Company, at its meeting held on April 30, 2015, approved variation in the period of appointment and remuneration payable to Mr A K Mukherjee, Mr Nadeem Kazim and Mr Subir Chakraborty, Whole Time Directors of the Company, subject to the approval of the shareholders in the Annual General Meeting.



The period of service, remuneration payable and the terms and conditions of service of Mr A K Mukherjee, Mr Nadeem Kazim and Mr Subir Chakraborty respectively with effect from May 1, 2015 are set out below:

Terms & Conditions of Service	Mr A K Mukherjee Director-Finance & CFO	Mr Nadeem Kazim Director – HR & Personnel	Mr Subir Chakraborty Director – Industrial
Salary	Rs. 3,63,000/- per month	Rs. 2,42,000/- per month	Rs. 2,09,000/- per month
Increment	Basic Salary will be increased upto 20% per annum, provided performance criteria as laid down by the Nomination and Remuneration Committee of the Board of Directors, are met.	Basic Salary will be increased upto 30% per annum, provided performance criteria as laid down by the Nomination and Remuneration Committee of the Board of Directors, are met.	Basic Salary will be increased upto 40% per annum, provided performance criteria as laid down by the Nomination and Remuneration Committee of the Board of Directors, are met.
Commission	Commission of 1% of the net profits of the Company computed in the manner laid down in Sections 197 & 198 of the Companies Act, 2013, subject to a maximum of annual salary for each year, based on certain performance criteria to be laid down by the Nomination and Remuneration Committee of the Board of Directors and payable annually after the annual accounts have been approved by the Board of Directors and Members of the Company.	Commission of 1% of the net profits of the Company computed in the manner laid down in Sections 197 & 198 of the Companies Act, 2013, subject to a maximum of annual salary for each year, based on certain performance criteria to be laid down by the Nomination and Remuneration Committee of the Board of Directors and payable annually after the annual accounts have been approved by the Board of Directors and Members of the Company.	Commission of 1% of the net profits of the Company computed in the manner laid down in Sections 197 & 198 of the Companies Act, 2013, subject to a maximum of annual salary for each year, based on certain performance criteria to be laid down by the Nomination and Remuneration Committee of the Board of Directors and payable annually after the annual accounts have been approved by the Board of Directors and Members of the Company.
Performance Bonus	Subject to a maximum of annual salary based on certain performance criteria to be laid down by the Nomination and Remuneration Committee of the Board of Directors.	Subject to a maximum of annual salary based on certain performance criteria to be laid down by the Nomination and Remuneration Committee of the Board of Directors.	Subject to a maximum of annual salary based on certain performance criteria to be laid down by the Nomination and Remuneration Committee of the Board of Directors.
Duties	Subject to the superintendence, control and direction of the Managing Director & CEO, he shall have the overall responsibility for all matters relating to Finance (Treasury functions), Accounts, Statutory Audit, Cost Audit and Management Information Systems and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated by the Managing Director & CEO.	Subject to the superintendence, control and direction of the Managing Director & CEO, he shall have the overall responsibility for all matters relating to Human Resources Management, HR Initiatives, Industrial Relations and also Captive Smelters and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated by the Managing Director & CEO.	Subject to the superintendence, control and direction of the Managing Director & CEO, he shall have the overall responsibility for all matters relating to Industrial SBU and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated by the Managing Director & CEO.

Terms & Conditions of Service	Mr A K Mukherjee Director-Finance & CFO	Mr Nadeem Kazim Director – HR & Personnel	Mr Subir Chakraborty Director – Industrial
Period	For a period of five years with effect from May 1, 2015 to April 30, 2020.	For a period of five years with effect from May 1, 2015 to April 30, 2020.	For a period of five years with effect from May 1, 2015 to April 30, 2020.

### OTHER TERMS AND CONDITIONS:

Perquisites	<p>In addition to the above salary, increment, commission and performance bonus, the above Directors shall be entitled to perquisites like furnished accommodation with expenditure on gas, electricity, water, maintenance and repair thereof or House Rent Allowance with expenditure on gas, electricity, water and furnishings, leave travel allowance, medical expenses and medical insurance for self and family, fees of clubs, personal accident and life insurance benefits and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors.</p> <p>Company's contribution to Provident Fund and Pension Fund not exceeding 27% of salary or such percentage limit as may be prescribed under the Income Tax legislation. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and leave including encashment of leave at the end of the tenure, as per Company's policy.</p> <p>Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rule, perquisites shall be evaluated at actual costs.</p> <p>Provision for use of Company's cars and telephones at residence (including payment for local calls and long distance calls) shall not be included in the computation of perquisites.</p> <p>The overall amount of perquisites shall not exceed an amount equal to the annual basic salary. In computing the monetary ceiling on perquisites, Company's contribution to Provident Fund, Pension Fund and Gratuity shall not be taken into account.</p>
Minimum Remuneration	In the absence of or inadequacy of profits in any of the financial years of the Company during the tenure the above Directors shall be entitled to such remuneration by way of salary along with perquisites, benefits and other allowances as detailed above not exceeding such sum as may be prescribed under Schedule V of the Companies Act, 2013 from time to time.
General	In addition, the contract of appointment shall set out the usual rights and obligations of the parties.
Termination	The appointment is terminable by either party by giving three months' prior written notice to the other.

An abstract of the variations in the terms of appointment of Mr A K Mukherjee, Mr Nadeem Kazim and Mr Subir Chakraborty pursuant to Section 190 of the Companies Act, 2013 shall be open for inspection by any member of the Company on any working day except Saturday at the Registered Office of the Company.

The Board considers the variations in the terms and conditions of appointment of Mr A K Mukherjee, Mr Nadeem Kazim and Mr Subir Chakraborty on the terms

set out above to be in the interest of the Company and therefore recommends that these resolutions be adopted by the members.

Except Mr A K Mukherjee, Mr Nadeem Kazim and Mr Subir Chakraborty, no other Director and Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the aforesaid respective resolutions.



### ITEM NO. 10

At the 66th Annual General Meeting of the Company held on July 16, 2013, the Members approved the payment of remuneration by way of commission of upto one percent of the net profits of the Company to Mr Rajesh G. Kapadia, Non-Executive Chairman, provided that such commission in any financial year shall not exceed Rs. 40,00,000/- (Rupees Forty Lakhs only) per annum, in addition to the sitting fees for attending the meetings of the Board of Directors or any Committee thereof. Further, at the 67th Annual General Meeting of the Company held on July 22, 2014, the Members approved payment of remuneration by way of commission of upto one percent of the net profits of the Company to Mr Rajesh G. Kapadia for each financial year computed in the manner as laid down in Section 198 of the Companies Act, 2013, in addition to the sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

The Board of Directors of the Company, at its meeting held on April 30, 2015, approved the payment of remuneration by way of commission of upto one percent of the net profits of the Company to Mr Rajesh G. Kapadia, Chairman and Mr Bharat Dhirajlal Shah, the Non-Executive Independent Director of the Company, provided that such total amount of commission payable amongst these two Independent Directors in any financial year shall not exceed Rs. 1,00,00,000/- (Rupees One Crore only) per annum, with effect from April 1, 2015. The overall amount will however be in addition to the sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

While Mr Rajesh G. Kapadia possess rich and varied experience in the field of finance, law, general management and business strategy and structuring, Mr Bharat Dhirajlal Shah is a founder employee of HDFC Bank Limited and has more than four decades of rich experience in the Banking sector. The Board of Directors is of the opinion that the Company will immensely benefit from their advice. To compensate for the demands on the time and the contributions made by them, it is proposed to pay remuneration by way of commission of upto one

percent of the net profits of the Company with effect from April 1, 2015, provided that such commission payable amongst them in any financial year shall not exceed Rs. 1,00,00,000/- (Rupees One Crore only) per annum.

The Directors recommend adoption of the Resolution at Item No. 10.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr Rajesh G. Kapadia and Mr Bharat Dhirajlal Shah are concerned with or interested in, financial or otherwise, in this resolution.

### ITEM NO. 11

The existing Articles of Association (AoA) is based on the Companies Act, 1956. Several regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

The Companies Act, 2013 is now largely in force. In order to make the AoA of the Company in tandem and to comply with the relevant sections/ provisions under the Companies Act, 2013 and rules made thereof, it is proposed to replace the existing AoA of the Company by a new set of Articles. Accordingly, in lieu of amendments to various articles in the existing AoA, it is considered prudent and desirable to adopt a new set of AoA. Pursuant to Section 14 of the Companies Act, 2013, the consent of the members of the Company by way of a Special Resolution is required for adoption of a new set of AoA of the Company.

Accordingly, this matter has been placed before the Members for approval. None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in this resolution.

By Order of the Board

**Jitendra Kumar**

Company Secretary and  
Sr Vice President – Legal

Date: April 30, 2015

**Information pursuant to Clause 49 of Listing Agreement with regard to the Directors seeking appointment/ reappointment at the forthcoming Annual General Meeting (Refer Item Nos. 3 & 6 of the Notice)**

Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships / Other Committee memberships* held
Mr R B Raheja	17.06.1954	Mr R B Raheja holds a Bachelor's degree in Commerce and has a wide range of experience in industry and business. Mr Raheja has also been dedicating himself to various educational and charitable trusts.	NIL	<p><b>DIRECTORSHIPS:</b></p> <ol style="list-style-type: none"> <li>1. Prism Cement Limited</li> <li>2. Supreme Petrochem Limited</li> <li>3. Juhu Beach Resorts Limited</li> <li>4. Exide Life Insurance Company Limited</li> <li>5. Hathway Cable &amp; Datacom Limited</li> <li>6. Amber Apartment Makers Private Limited</li> <li>7. Arjun Housing Private Limited</li> <li>8. Beach Plaza Contractors &amp; Developers Pvt Limited</li> <li>9. Bloomingdale Investment &amp; Finance Private Limited</li> <li>10. Coronet Investments Private Limited</li> <li>11. Globus Stores Private Limited</li> <li>12. Manali Investment &amp; Finance Private Limited</li> <li>13. Matsyagandha Investments &amp; Finance Private Limited</li> <li>14. Peninsula Estates Private Limited</li> <li>15. R. Raheja Properties Private Limited</li> <li>16. Shalini Construction Co. Pvt Limited</li> <li>17. Varahagiri Investments &amp; Finance Private Limited</li> </ol> <p><b>COMMITTEE MEMBERSHIPS</b></p> <p><b>Member of the Audit Committee</b></p> <ol style="list-style-type: none"> <li>1. Juhu Beach Resorts Limited</li> </ol> <p><b>Membership of Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>1. Supreme Petrochem Limited</li> </ol>





Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships / Other Committee memberships* held
Mr Bharat Dhirajlal Shah	18.02.1947	Mr Bharat Dhirajlal Shah holds a Bachelor's degree in Science from Bombay University. He has also completed H.N.D in applied Chemistry with special reference to metal finishing from Borough Polytechnic, London. He has more than four decades of rich experience in Banking and allied advisory services.	NIL	<p><b>DIRECTORSHIPS:</b></p> <ol style="list-style-type: none"> <li>1. Atlas Documentary Facilitators Company Private Limited</li> <li>2. Faering Capital Trustee Company Private Limited</li> <li>3. HDFC Securities Limited</li> <li>4. Hexaware Technologies Limited</li> <li>5. Hill Properties Limited</li> <li>6. IDFC Alternatives Limited</li> <li>7. Salisbury Investments Private Limited</li> <li>8. Strides Arcolab Limited</li> <li>9. India Transact Services Limited</li> <li>10. AGS Transact Technologies Limited</li> <li>11. 3M India Limited</li> </ol> <p><b>COMMITTEE MEMBERSHIPS</b>  <b>Member of the Audit Committee</b></p> <ol style="list-style-type: none"> <li>1. HDFC Securities Limited</li> <li>2. IDFC Alternatives Limited</li> <li>3. AGS Transact Technologies Limited</li> <li>4. Atlas Documentary Facilitators Company Private Limited</li> <li>5. Hexaware Technologies Limited</li> </ol> <p><b>Membership of Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>1. AGS Transact Technologies Limited</li> </ol>

\* Includes Chairmanship/Membership in Audit Committee/Stakeholders Relationship Committee

# DIRECTORS' REPORT TO THE SHAREHOLDERS

(including Management Discussion & Analysis)

Your Board of Directors are pleased to present the 68th Annual Report of the Company together with Audited Accounts for the year ended March 31, 2015.

## **ECONOMIC ENVIRONMENT**

The national economic environment remained challenging during the financial year 2014-15. Although on the face of it, economic growth accelerated to 7.4 percent, agriculture sector showed a de-growth of 1.1 percent during the fiscal. This was attributed to erratic monsoon which affected the summer crop. The impact of this was felt in the food grain production which shrank by 3.2 per cent as compared to the previous fiscal.

Some acceleration was noticed in industrial growth rate which grew by 5.9 percent, aided mainly by 6.8 percent growth in manufacturing. Production of capital goods expanded after a continuous three years in the red. But consumer durables recorded a negative growth of 3.2 percent.

However, there was good news on the crucial inflation front, which had a devastating effect on the economy in the previous few financial years. Policies undertaken at the Central level seem to have had a positive effect on inflation. Capital expenditure is now expected to see some momentum. Rupee's strength vis-à-vis the dollar was tested during the fiscal. However, lead prices continued to be stable in the international markets.

The economic outlook for the financial year 2015-16 looks positive. Gross domestic product (GDP) is expected to grow to 7.8 percent on the expectation of improved performance in industrial as well as service sector. Structural bottlenecks are expected to be addressed at a policy making level leading to improvement in the external demand. Supportive monetary policies and a pickup in capital expenditure are likely to give a boost to the Indian economy.

## **INDUSTRY STRUCTURE & DEVELOPMENT**

The Passenger Vehicle Segment during the year under review grew by about 5% over the previous year. The Commercial Vehicle Segment remained flat after two years of successive de-growth of about 9% and 16%. Tractors however registered a 13% fall in Sales. Overall the 3/4 Wheeler market grew by about 3%. The 2-Wheeler Sales grew by a modest 8%. The removal of Excise duty relief did not help the situation.

In the industrial battery segment, 2014-15 was a good year with impressive growth recorded across Infrastructure, FMIB and Export markets.

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INSPIRE OF THE COMPETITIVE MARKET CONDITIONS, YOUR COMPANY CONTINUES TO REMAIN THE PREFERRED SUPPLIER TO MOST OF THE VEHICLE MANUFACTURERS IN THE COUNTRY.

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## COMPANY PERFORMANCE

### Automotive Batteries

Sales of Automotive batteries had an impressive growth rate of 10% by value in 2014-15 as compared to the previous year. The aftermarket sales of four wheeler batteries witnessed an overall growth of 17% in units from the previous year. In the two wheelers aftermarket, the growth rate during the year was nearly 11%. Sale of batteries in the four wheeler OEM segment was however lower by about 2% in units during the year. In the OEM two wheelers, the Company witnessed a growth rate of 5% in sales as compared to that of previous year.

In spite of the competitive market conditions, your Company continues to remain the preferred supplier to most of the vehicle manufacturers in the country.

### Industrial Batteries

Sale of Industrial batteries showed a very impressive growth of 24% from the previous year. Almost all the segments contributed towards this effort. Major inroads were made in the telecom segment not only through aggressive marketing but also through introduction of newly developed products.

There was a partial resurgence in the market for Industrial UPS battery segment although the growth is still below expectations. Quality improvement and product re-design have helped immensely in creating a preference for your Company's products in this segment.

New range of products introduced in the Home UPS segment have been well received in the market and contributed towards a robust growth as compared to last year, mainly through increase in market share.

### Submarine

Sale of submarine batteries for the FY 2014-15 also recorded an impressive growth rate of about 21%.

### Home UPS

The two Home UPS manufacturing Units acquired by your company in the state of Uttarakhand have stabilised in terms of manufacturing capability and quality. The products manufactured by your Company based on superior sine-wave technology have been very well received in the market, resulting in expansion of sales. Your Company has also commenced manufacture of HKVA range of inverters for both domestic as well as export markets.

### Exports

The Export of Automotive Batteries recorded a remarkable growth of 64% in quantity and 42% in value compared to the previous year, whereas the export of Industrial Batteries, Home UPS and Solar Systems recorded an impressive growth of 40% in value as compared to the previous year.

The Automotive growth is accredited to the quantity growth of 45% for 4-wheeler batteries and 100% for motorcycle batteries in Bangladesh and Sri Lanka, whereas the Industrial growth is primarily due to extraordinary growth of 240% in Standby Business mainly due to focussed and enhanced activities in African continent, where your Company grew by 139%.

Successful new inroads were made for export of Industrial Batteries in UAE, Cyprus, Kuwait, Yemen, Egypt, Italy, Peru, Poland, Bahrain, Ghana, Rwanda and Zimbabwe. Home UPS continued to be key focus segment where new additions of markets like Lebanon, Burundi, Afghanistan, Egypt and South Africa were made.

Details of activities relating to exports is given as per Section 134 (3)(m) of the Companies Act 2013, which is annexed herewith marked as "Annexure - I".

### Technology Upgradation

In order to maintain its leadership position, your Company is continuously upgrading its technology and also acquiring new technology to meet the ever increasing demands of its customers. The in-house R&D department is recognised by the Department of Scientific and Industrial Research, Government of India. The in-house R&D Division is actively engaged in creation of innovative products through improvements in manufacturing processes and materials with a continuous focus on cost reduction. Your Company also acquires new technology through technical collaboration agreements with leading international battery manufacturers. Our R&D interfaces with these technical collaborators to adopt new technology.

Your Company has entered into technical collaboration and assistance agreements with East Penn Manufacturing Company Inc. USA, (East Penn) a leading US manufacturer of high quality lead-acid battery and ancillary products. Under these arrangements, East Penn is providing technical assistance and support for the manufacture of automotive, motive power, standby, telecom, UPS, solar and traction batteries for your Company's various plants in India. East Penn is also providing technical assistance and support to the two captive smelters of your Company located near Pune and Bangalore. Apart from the above, your Company has on-going agreements with Furukawa Battery Company Limited, Japan for Lead-Acid Storage Batteries including VRLA motorcycle battery and Maintenance -Free Batteries for 4-wheelers and for Idle Stop-Start (ISS) Automotive batteries. Your Company also has agreements with Shin-Kobe Electric Machinery Co. Limited, Japan (a part of the HITACHI Group) for a variety of Lead-Acid batteries and components used for starting, lighting and ignition of automobile and VRLA batteries for industrial applications.

### HIGHLIGHTS OF PERFORMANCE

Your Company recorded a Net Sales of Rs. 6,874.21 Crores in 2014-15 as compared to Rs. 5,964.24 Crores in the previous year with a corresponding profit before tax of Rs. 798.49 Crores as compared to Rs. 723.08 Crores.

### Financial Results

	Rs. Crores	
	2014-15	2013-14
Profit before depreciation, finance cost & tax expenses	939.68	849.87
Depreciation and amortisation expenses	139.52	125.60
Finance Cost	1.67	1.19
Profit Before Tax	798.49	723.08
Tax expenses	252.62	236.00
Profit After Tax	545.87	487.08
Balance brought forward	1,779.86	1,520.99
Making a total of	2,325.73	2,008.07
Out of this appropriations are :		
General Reserve	20.00	50.00
Leaving a balance of	2,305.73	1,958.07
Interim Dividend (150%) (Previous year - 110%)	127.50	93.50
Tax on Interim Dividend	21.67	15.89
Proposed Final Dividend (70%) (Previous Year - 70%)	59.50	59.50
Tax on Final Dividend	11.40	9.32
(Aggregate Dividend amounts to 220% (previous year - 180%) And leaving a balance of (which is carried forward to next year)	2,085.66	1,779.86

The Company proposed to transfer an amount of Rs. 20 Crores to the General Reserve.

### Consolidated Financial Statements

In accordance with Accounting Standard 21- Consolidated Financial Statements form part of the Annual Report & Accounts. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by its respective Board of Directors.

### Dividend

Your Company has paid an interim dividend at the rate of 150% i.e. @ Rs. 1.50 per equity share of Re. 1 each (Previous Year 110%) on the equity shares to the shareholders, whose names appeared on the Register of Members on August 28, 2014. Your Directors are now pleased to recommend a final dividend at the rate of 70% i.e. Re. 0.70 per equity share of Re. 1 each (Previous year 70%) for the year ended March 31,



2015, subject to approval of the members at the ensuing Annual General Meeting. Consequently, the total dividend for the year ended March 31, 2015 including the interim dividend paid during the year, amounts to 220% i.e. Rs. 2.20 per equity share of Re. 1/- each (Previous year 180%).

During the year, the unclaimed dividend of Rs. 20,22,107 pertaining to the final dividend of financial year ended March 31, 2007 were transferred to Investor Education and Protection Fund of Government of India. The details including last date of claiming of unclaimed / unpaid dividend amount are given at the end of the Notice of the Annual General Meeting.

### SHARE CAPITAL

The paid up equity share capital as on March 31, 2015 was Rs. 85 Crores, divided into 850,000,000 equity share of face value of Re. 1 each.

#### A) Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2014-15.

#### B) Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2014-15.

#### C) Issue of employee stock options

The Company did not issue stock options during the financial year 2014-15.

#### D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

### DEPOSITS

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013, the

details of the loans given (Note nos. 14 and 20), guarantees on securities provided (Note no. 38) and investments made (Note nos. 13 and 16) by the Company during the year, have been disclosed in the financial statements.

### MATERIAL CHANGES AND COMMITMENTS

There has been no material changes which have occurred subsequent to the close of the financial year of the Company to which the Balance Sheet relates and the date of the report, for example:

- Settlement of tax liabilities;
- Operation of patent rights;
- Depression in market value of investments;
- Institution of cases by or against the Company;
- Sale or purchase of capital assets;
- Destruction of any assets or disposal of a substantial part of undertaking;
- Changes in capital structure;
- Alteration in wage structure arising out of trade union negotiation; and
- Material changes concerning purchase of raw material and sale of the product.

### AUDITORS

#### Statutory Auditors and their Report

M/s S R Batliboi & Co LLP, Chartered Accountants, who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Your Directors wish to clarify that the Statutory Auditors' have made an observation in point no (xii) of the Annexure referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" under the Companies (Auditors' Report) Order 2015 ("CARO") regarding misappropriation of physical stock of batteries in the warehouse amounting to Rs. 1.52 Crores by two carrying and forwarding agents of the Company during the financial year ended March 31, 2015. As explained in their observation, the Company has

terminated the services of the agents and has also filed legal cases against them. The cost of inventory shortage has also been provided for fully in the books.

### **Cost Auditors**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost records maintained by the Company in respect of the products manufactured by the Company is required to be audited. Your Directors, on the recommendation of the Audit Committee has appointed M/s Shome & Banerjee, Cost Accountants to audit the cost records of the Company for the financial year 2015-16 at a remuneration of Rs. 9,00,000/- plus out-of-pocket expenses and taxes as applicable. A resolution regarding ratification of remuneration payable to M/s Shome & Banerjee, Cost Accountants, forms part of the Notice convening the 68th Annual General Meeting of the Company.

### **Secretarial Auditors & their Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s S M Gupta & Co., Company Secretaries to undertake audit of secretarial and other related records of the Company. The draft Secretarial Audit Report is annexed herewith as "Annexure-II". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **BUSINESS RESPONSIBILITY REPORT**

The Ministry of Corporate Affairs, Government of India has issued the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These Guidelines contain certain Principles which are to be adopted by companies as part of its business practices and disclosures regarding the steps taken to implement these Principles through a structured reporting format, viz. Business Responsibility Report. Pursuant to the Listing Agreement your Company is required to include a Business Responsibility Report as part of the Annual Report and accordingly such Report is Annexed herewith as "Annexure – III".

### **CORPORATE GOVERNANCE**

Transparency is the cornerstone of your Company's philosophy and all requirements of Corporate Governance are adhered to both in letter and spirit. All the Committees of the Board of Directors meet at regular intervals as required in terms of Clause 49 of the Listing Agreement. Your Board of Directors has taken all necessary steps to ensure compliance with all statutory and listing requirements. The Directors and key managerial personnel of your Company have complied with the approved 'Code of Ethics for Board of Directors and Senior Executives' of the Company.

The Report on Corporate Governance as required under the Listing Agreement forms part of and is annexed herewith marked as "Annexure – IV". The Auditors' Certificate on compliance with Corporate Governance requirements is also attached to this Report. Further as required under Clause 49(IX) of the Listing Agreement a certificate from the Managing Director & CEO and Director-Finance & CFO is being annexed with this Report.

### **BUSINESS EXCELLENCE**

Your Company has implemented TQM model aimed at developing TQM culture to continuously improve and sustain the business performance. The initiatives include 5S, Kaizen, Quality Circle, Suggestion Box, TPM, Six Sigma. Most of these TQM initiatives are matured, and stands at global standards. In order to transform the Company's vision into reality, the initiatives are being implemented as per 3 years TQM plan, with clearly defined milestones, means & mechanisms.

Your company has been recognised by CII, QCFI & Customers for effective deployment of Quality Circle initiatives. 72 Quality Circle Teams have been recognised, including 17 teams in Par Excellence category.

During 2014-15, TPM initiative was launched in Ahmednagar plant and kicked off in Shamnagar plant. With this, initiative has been penetrated to all battery plants in India. Hosur and Taloja plants have matured this initiative and are undergoing JIPM Japan assessment for Excellence in Consistent TPM Commitment Award 2015. The competitive strength of your company in areas of



operational excellence was recognised by Manufacturing Today & CII. Taloja plant received the excellence in operation award by Manufacturing Today in September 2014 and Hosur plant received CII Office TPM Award during December, 2014.

### **OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT**

Your Company has effectively deployed the occupational health, safety and environment management policies, in line with core value of being recognised as a responsible corporate citizen.

The maturity level of occupational health, safety and environment system are audited by external certification bodies (TUV Nord for OHSAS 18001 Certifications) and Global Entities JIPM TPM (SHE Pillar Audit). During 2014-15 focus has been given to mature the organisational understanding at operator's level, on hazards, associated risks and improvement of control through regular internal workshops, participation in external seminars and trainings. All dimensions of control – PPE, Administrative, Engineering, substitution, and elimination have been leveraged to deliver safe and healthy work environment in factories. Medical surveillance plan, work permit system, monitoring & measurement, inspection of safety equipments and emergency preparedness have been made robust and competent to successfully deliver the Occupational Health & Safety Performance.

Your Company's occupational health and safety management systems have been recognised by several external bodies. Some of the awards received during 2014-15 include, Arogya Healthy Workplace Award (November 2014), Tamil Nadu State Safety Award (November 2014) and Annual Greentech Safety Silver Award (September, 2014). Your Company has been recognised for its competitive capabilities on environment management system by Greentech Environment Award 2015.

### **CORPORATE SOCIAL RESPONSIBILITY**

Your Company always seeks ways to make a positive impact on the society at large through various CSR activities. Environment, basic education, health, women's empowerment and community development continues to remain the main pillars of your Company's CSR philosophy, even before the passing of the Companies Act, 2013.

The Board of Directors of your Company has approved a Corporate Social Responsibility (CSR) Policy namely "EIL CSR Policy" in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India. The broad objective of this Policy is inter-alia to:

- increasingly contribute to activities that are beneficial to the society and the community at large;
- establish mechanism for undertaking the CSR activities;
- engage with the Company's key stakeholders in matters related to CSR activities; and
- align the CSR activities undertaken by the Company with the applicable laws.

As part of its CSR initiatives, the Company has undertaken projects in the areas of education, livelihood, health, water and sanitation. It has also made contributions to the Marrow Donor Registry (India), Prime Minister's National Relief Fund and Swachh Bharat Kosh. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto as ("Annexure – V").

Being the first year of implementation of CSR as mandated under the provisions of the Companies Act, 2013, the Company has been judicious to choose the activities which need to be undertaken for its CSR activities and also to identify the areas. During the year, the Company has received applications from few organisations, who are engaged in social activities which are aligned with the Company's CSR Policy, requesting the Company to make appropriate contributions. However, due to certain procedural delays in getting the requisite approval at their end, the Company could not make its contribution during the year and therefore there was a shortfall in the total amount spent on CSR activities from its total obligations of atleast 2% of the average net profits made during the three immediately preceding financial years.



The Company is however committed to the cause of CSR and will take necessary steps to fulfill its CSR obligations during the coming financial years.

### **INTERNAL CONTROLS**

Your Company has proper and adequate system of internal controls. The Internal Audit team conducts its audits which are carried out in two phases at each factory, branch, regional and corporate offices with the objective to evaluate and continuously improve the effectiveness of internal controls and governance processes. Apart from the in-house internal audit team, external audit firms have been appointed as internal auditors to conduct regular audits that are performed as per the annual Audit Plan. Additional areas, if any, identified during the year are taken up as special assignments. The audit findings are reviewed by the Audit Committee of Directors and corrective action, as deemed necessary, is taken. Your Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

Your Company has identified various business risks and has laid down the procedure for mitigation of the same. The Risk Management & Mitigation Systems are reviewed periodically by the Management.

### **OUTLOOK**

In spite of the depressed economic conditions during past two years, the prospects for the medium to long term looks promising. A new Government has assumed office and it is expected that major policy reforms would be undertaken with all seriousness.

It is expected that interest rates would be softened thereby giving a much needed impetus to manufacturing which would consequently increase consumption. This would not only give a fillip to the automobile industry but also lead to an all round buoyancy especially for the industry and infrastructural sectors.

### **OPPORTUNITIES AND THREATS**

Your Company has growth opportunities in industrial and automotive segments specially solar, telecom, e-rickshaw and commercial vehicle segments. Your Company has strategies in place to tap the potential. However the new entrants and aggressive expansion plan of existing

competitors are the biggest challenges. The competitive price, network strategy, technology & product quality are critical to our success. Your company has advantage of having strong brand value, large network, widely spread product range, strong partners and collaborators relationship. It is fully prepared to meet the challenge of competition, leveraging its competitive strengths of network quality, technology, product range and brand value.

In Lead Acid Storage battery your Company has a very large share of business in segments like Automotive, OEM, Power, Project, Manufacturing and Solar. Economy plays a very important role in these segments. A subdued economy is a threat to your Company.

### **RISKS AND CONCERN**

Business risks of your Company are centered around supply chain management, manufacturing flexibility, stringent norms for hazardous industry, manufacturing conversion cost, fluctuating lead prices, labor issues and quality of up stream partners.

Manufacturing flexibility to respond to the changing OEM customer demand have been improved through TPM and lean manufacturing approach. Your company is maturing the standards like OHSAS 18001, TPM, Six Sigma Pillar and ISO 14001 system to achieve and sustain the good, healthy and safe work place. The engagement of operators have been improved through their participation in performance improvement projects and building a strong team.

The upstream supply chain development strategies have been put into focus. Vendor Development function has been created to focus on quality improvement, manufacturing capability development, capacity enhancement, cost reduction and new product development at faster pace.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

In accordance with the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, every listed Company is required to have a Vigil Mechanism for the Directors and employees to report their genuine concerns and grievances. Your Company has a Whistle Blower Policy in place and the same is also available in the website under the web-link '<http://www.exideindustries.com/corporate/about-us/our-policies>'.





The Audit Committee of Directors are entrusted with the responsibility to oversee the Vigil mechanism.

## SUBSIDIARIES

Your Company has five Indian subsidiaries viz, Chloride Metals Limited, Chloride Alloys India Limited, Chloride Power Systems & Solutions Limited, Chloride International Limited, Exide Life Insurance Company Limited and three foreign subsidiaries, viz. Chloride Batteries S.E Asia Pte. Ltd., Singapore, Espex Batteries Limited, UK and Associated Battery Manufacturers (Ceylon) Limited, Sri Lanka.

- Exide Life Insurance Company Limited, which is a 100% subsidiary of your Company, is engaged in the business of life insurance and providing financial investment products. The total premium collected by the said Company during the year ended March 31, 2015 was Rs. 2,389.14 Crores. The said Company recorded a profit of Rs. 65.26 Crores against a profit of Rs. 53.03 Crores in the previous year.
- Chloride Metals Limited, which is a 100% subsidiary of your Company, is engaged in lead smelting and refining operations and has its plant at Markal, Pune. The said Company achieved a net sale of Rs. 523.92 Crores which was 16% higher than the previous year and earned a profit before tax of Rs. 0.66 Crores.
- Chloride Power Systems & Solutions Limited, a 100% subsidiary of your Company having its factory at Sector V, Salt Lake City, Kolkata is engaged in manufacture and sale of battery chargers, D.C Power Systems and associated equipment. During the year 2014-15, the said Company achieved a turnover of Rs. 74.44 Crores and a profit before tax of Rs. 6.04 Crores representing a decrease of 13% and 26% respectively over the previous year.
- Chloride Alloys India Limited, a 100% subsidiary of your Company has its plant at Kolar District, Karnataka and is engaged in lead smelting and refining activities. During the year 2014-15 the said Company has achieved a turnover of Rs. 689.36 Crores as compared to Rs. 733.78 Crores in the previous year and a profit before tax of Rs. 4.89 Crores.
- Chloride International Limited is presently not engaged in any trading or manufacturing activity and has income from rent and interest on securities. The income of Chloride International Limited during 2014-15 amounted to Rs. 0.68 Crores with a profit before tax of Rs. 0.49 Crores.
- Your Company also holds 100% of the share capital in Chloride Batteries S.E Asia Pte. Ltd., Singapore. The said Company is engaged in the business of lead acid batteries and caters to the South East Asian and Australian markets. During the year 2014-15, the said Company achieved a turnover of SGD 30.16 million and incurred a loss of SGD 1.911 million.
- Espex Batteries Limited, UK, 100% subsidiary of your Company is engaged in marketing and selling of lead acid batteries for industrial applications. During 2014-15 the Company achieved a turnover of GBP 4.70 million and made a profit before tax of GBP 101,640.
- Your Company also holds 61.5% shares in Associated Battery Manufacturers (Ceylon) Limited, Sri Lanka. The said Company is engaged in the business of manufacturing and marketing of lead acid batteries. During the year 2014-15 the said Company achieved a turnover of SLR 1949.17 million and made a profit before tax of SLR 138.50 million.

The profit and loss accounts, balance sheet, auditors' report and directors' report of the subsidiaries are not attached to the annual accounts of your Company pursuant to general exemption granted vide general circular number 2/2011 dated 08.02.2011 issued by the Government of India, Ministry of Corporate Affairs in terms of section 136 of the Companies Act, 2013. However, the necessary details about the subsidiaries are given in the consolidated financial statements attached to the annual accounts. Further any shareholder of the Company or the subsidiary Companies may obtain copies of these documents by writing to the Company Secretary at the registered office of your Company. Copies of the annual account of the subsidiaries would also be available for inspection by any such person at the registered office of your Company on any working day.



### **EXTRACT OF THE ANNUAL RETURN**

The extract of the Annual Return in Form No. MGT – 9 (Attached as “Annexure – VI”) forms part of the Board’s report.

### **DIRECTORS**

Mr S B Raheja, who was a Director of your Company resigned from the Board of Directors with effect from May 27, 2014 due to personal reasons. Your Board records its deep appreciation for the services rendered by Mr Raheja as a Director of the Company. Mr Deepak Parekh, Director also stepped down from the Board of Directors since he was alternate to Mr S B Raheja. Your Board records its deep appreciation for the services rendered by Mr Parekh as an Alternate Director of the Company.

At its Meeting held on April 30, 2015, your Board appointed Mr Bharat Dhirajlal Shah as an Additional Director to hold office till conclusion of the ensuing Annual General Meeting of the Company. The Company has received a Notice as per the provisions of Section 160(1) of the Companies Act, 2013, from a Member proposing the appointment of Mr Bharat Dhirajlal Shah. The Company has received a confirmation from Mr Bharat Dhirajlal Shah stating that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and in the opinion of your Board he is a person of integrity and posses relevant expertise and experience for being appointed as Independent Director.

Mr R B Raheja, Director, retires by rotation and being eligible offers himself for re-appointment.

None of the Directors of your Company are disqualified for being appointed as Directors, as specified in Section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Mr Supriya Coomer, Company Secretary and Compliance Officer resigned from the services of the Company at the close of business on March 31, 2015. Mr Jitendra Kumar

Mohanlal has been appointed as the Company Secretary and Compliance Officer of the Company on April 30, 2015.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an Annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration which includes criteria for performance evaluation of non-executive and executive directors. The Remuneration Policy of the Company is annexed herewith marked as “Annexure VII”.

### **MEETINGS**

During the year under review six Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of constitution of the Board and its Committees are given in the Corporate Governance Report.

### **COMPLIANCE WITH CODE OF ETHICS FOR BOARD OF DIRECTORS AND SENIOR EXECUTIVES**

All Directors and Senior Management Personnel have affirmed Compliance with the Code of Ethics for Board of Directors and Senior Executives. A Declaration to that effect is attached with the Corporate Governance Report.

### **RISK MANAGEMENT POLICY**

In accordance with Clause 49 of the Listing Agreement the Board of Directors of the Company are responsible for framing, implementing and monitoring the Risk Management plans of the Company. The Company has a defined “Risk Management Policy” and the same has been approved by the Board of Directors of the Company.



The Risk Management Policy is available on the Company's web-site under the following web-link <http://www.exideindustries.com/corporate/about-us/our-policies>

### **LISTING**

The equity shares continue to be listed on the BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) and The Calcutta Stock Exchange Limited (CSE). The Company has paid annual listing fee for the financial year 2015-16 to BSE, NSE and CSE.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval is also obtained from the Audit Committee for the related party transactions which are of repetitive nature which can be foreseen and accordingly the required disclosures are made to the Audit Committee on quarterly basis in terms of the approval of the Committee.

The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website under the following web-link <http://www.exideindustries.com/corporate/about-us/our-policies>.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC - 2 is not applicable to the Company.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant material orders passed by the Regulators/Courts which would impact the Going Concern status of the Company and its future Operations.

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information pursuant to Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure I".

### **HUMAN RESOURCES**

Your Company recognises that nurturing and development of Human Capital is of key importance and the HR policies are geared to attain these objectives. The processes for attracting, retaining and rewarding talent are well laid down and the systems are transparent to identify and reward performance. Training interventions are made on a regular basis at all levels and exercises such as Skill Gap Analysis are carried out. Succession planning and talent management continues to receive priority.

Industrial relations at all units remained cordial. During the year under review long term agreement was signed with the Trade Union at Ahmednagar plant.

### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to Members and others entitled thereto, excluding the information on employees particulars which are available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard. Further, we confirm that there was no employee employed throughout the financial year or part thereof, who was in receipt of remuneration in the financial year which, in the aggregate, is in excess of that drawn by the Managing Director and Whole-time Directors and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company. Particulars of employees pursuant to Section 134(3)(Q) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and



Remuneration of Managerial Personnel) Rules 2014 is annexed hereto and marked as “Annexure VIII”.

### **DIRECTOR’S RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are 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 or loss of the Company for that period;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the annual accounts on a going concern basis; and
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **FORWARD LOOKING STATEMENTS**

This Report contains forward-looking statements that involve risks and uncertainties.

When used in this Report, the words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “will”, and other similar expressions as they relate to the Company and/or its businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

### **ACKNOWLEDGEMENT**

Your Directors would like to record its appreciation for the co-operation and support received from its employees, shareholders, Government agencies and all stakeholders.

On behalf of the Board of Directors

Place: Mumbai  
Date: April 30, 2015

**R. G. Kapadia**  
Chairman



## ANNEXURE - I

**Information as per Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2015.**

### A. CONSERVATION OF ENERGY

The Company accords great importance to conservation of energy. The Company has taken several steps towards this end through:-

- a. Close monitoring of consumption of electricity, LPG, Diesel and water.
  - b. Close monitoring of electricity consumption based on 'KWH/MT of Lead Consumed'.
  - c. Optimisation of electricity, LPG, diesel and water by reducing process cycle time, process modification and also by equipment modification/replacement/retrofitting.
  - d. Usage of renewable energy, viz. Solar and wind power.
  - e. Achieving power factor standards nearing unity.
6. Reduction in AH input for batteries with Expanded POS (BOSS/LC types).
  7. Optimisation of charging schedule for MF50z, MF40, and DIN families.
  8. Installed thyristorised automatic power factor control panel with harmonic filters at JF and positive Expanded plant.
  9. Variable frequency drives installed for Ex- fan motors for SLI line no 5 and Strip Caster no 1.
  10. Shutdown schedule followed on weekly off day and on paid holidays for all heating zones.
  11. Curing cum drying ovens (1 No) Converted to LPG fired from electrical heating system.
  12. Automated switch-off of Ex-fans during tea, lunch and shift change breaks.
  13. Arrested leakages in compressed air system, was done as suggested by Schneider.

The specific initiatives taken during the financial year 2014-15 are as follows:-

#### Chinchwad Plant

1. 1.5 MW electrical power sourced through open access since September 2014 thus saving of Rs. 75.05 Lakhs/annum.
2. Power factor maintained above 0.99 thereby got incentive of Rs. 75.40 Lakhs.
3. Installed energy efficient pumps at 13 locations in December 2014 thus saving of Rs. 2.1 Lakhs/annum.
4. Increased stack layers from 2 to 3 per Skid for expanded negative plate curing (SLI) for Teck Cominco Line.
5. Reduced cycle time by 2 hours for JF plate drying.

#### Bawal Plant

1. 11 KW VFD implemented in 8 nos. AHU in place of Star-delta Starter through which Energy saved by 1.88 Lakhs Kwh /Annum (Rs. 15 Lakhs/Annum).
2. Retrofit the HPSV Lamp with Induction Lamp through which Energy saved by 1.15 Lakhs Kwh /Annum (Rs. 9 Lakhs/Annum).
3. Provide separate feeder for lighting load and install lighting energy saver through Which Energy saved by 0.27 Lakhs Kwh/Annum (Rs. 2 Lakhs/Annum).
4. Tiegel Blower Automation and saved 9000 Kwh/ Annum (Rs. 0.72 Lakh/Annum).



5. Grid Casting Cooling Tower Automation and saved 3000Kwh/Annum(Rs. 0.24 Lakh/Annum).
6. T-5 tube light installed to save 1970 Kwh/Annum (Rs. 0.16 Lakh/Annum).
4. Replacement of Water Pumps at Auto Plant with Energy efficient water pumps resulted in saving of Rs. 1.47 Lakhs.
5. Installation of Lighting Energy Saver resulted in saving of Rs. 1.54 Lakhs.

### Hosur Plant

1. Solar power plant implementation & energy generation via savings is Rs. 92.36 Lakhs. (12,35,313 Units generated from October 2014 to March 2015).
2. Conversion of LED Lights VRLA & Auto – Rs. 16.80 Lakhs (2,24,536 Units Saved from August 2014 to March 2015).
3. Energy savings in Utility (Compressor & Chiller) - Rs. 19.10 Lakhs.
4. Power Cost Savings through CPP & Third Party Purchase - 351 Lakhs.
5. Demand savings Rs. 32.61 Lakhs.  
- Achieved by optimum utilisation of demand.  
- Demand control done throughout the month by load scheduling and balancing the entire factory machine loading.
6. 33KV project implementation & up-gradation via savings is Rs. 294.59 Lakhs, by eliminating hire DG operation.
7. Conversion of lead pot electric firing system changed into LPG heating arrangement in auto Grid casting via cost saving of Rs. 3.54 Lakhs.
6. Providing LED lighting in Auto Plant resulted in saving of Rs. 0.71 Lakh.
7. Solar Panel for hot water for Canteen Utensil Washing resulted in saving of Rs. 1.17 Lakhs.
8. Optimisation use of DG by proper Load Sharing resulted in saving of Rs. 0.98 Lakh / Annum.
9. Maintaining Power Factor as unity throughout the year resulted in saving of Rs. 13.60 Lakhs.
10. Open Access Power Purchase resulted in saving of Rs. 166.47 Lakhs.
11. Replacement of Conventional Tube by T-5 Tube light Rs. 0.70 Lakhs.
12. Switching off the JF / Formation rectifier to avoid energy loss due to no load losses in the transformers resulted in saving of Rs. 0.64 Lakh.
13. Installation of Maximum Demand Controller for controlling peak demands resulted in saving of Rs. 2.29 Lakhs.
14. Extension of common Steam generator for Curing Chambers resulted in saving of LPG cost by Rs. 2.25 Lakhs/annum.

### Taloja Plant

1. Rationalisation of Parter dust & fume extraction for plate brushing system resulted in saving of Rs. 3.2 Lakhs.
2. Minimising the compressed air leakages at Auto Plant resulted in saving of Rs. 3.13 Lakhs.
3. Installation of VFD Panel resulted in saving of Rs. 6.79 Lakhs.
15. Automatic switching off Cooling Tower Motor and Fresh Air Blower during shift change resulted in saving of Rs. 2.23 Lakhs.
16. Replacing tube lights by CFL Bulbs at Pasting, Drying, New Mezzanine Building, and packing line.
17. Reduction in no load electricity losses by replacing old inefficient rectifier transformer with high efficient transformer resulted in saving of Rs. 4.25 Lakhs.



18. 100% use of recycled water for gardening and floor washing.
19. Day light improvement by use of transparent sheet in Motor Cycle Charging, Motor Cycle Formation, Casting and Curing area.

### Shamnagar Plant

1. Installation of energy efficient (T-5) tube lights resulting in energy savings of Rs. 6.90 Lakhs per annum.
2. Installation of 40 nos LED lights in place of conventional MV lights resulting in energy savings of 0.332 Lakh Kwh (Rs. 2.52 Lakhs) per annum.
3. Installation of additional 500 KVAR capacitor banks to improve power factor resulting in cost savings of Rs. 25.95 Lakhs per annum.
4. Interlocking of high capacity dust extraction blowers with respective m/cs to reduce idle running resulting in energy savings of 1.15 Lakhs Kwh (Rs. 8.69 Lakhs) per annum.
5. Installation of 100 HP VFD in 1 no. high capacity blowers resulting in energy savings for 2 months 0.0873 Lakh Kwh (Rs. 0.66 Lakhs).
6. Replacement of 5 TPH Furnace oil fired Boiler by LPG fired package Boiler – cost savings 11.80 Lakhs.
7. SCR base PID controlled lead pot heating system in 24T ball mill – cost savings 2.30 Lakhs.
8. SCR base PID controlled lead pot heating system in Automotive grid casting pots – cost savings 4.60 Lakhs.
9. Upgradation of compressor screw elements resulting in higher efficiency – cost savings 8.38 Lakhs.

### Haldia Plant

- 1) Installation & commissioning of additional 4 x 500 KVAR and 1 x 1000 KVAR APFC panels with capacitor banks and harmonic filters to maintain Power

factor at 0.994 (avg.) & obtain maximum rebate in electricity bill. Total rebate in electricity bill due to Power factor is Rs. 342.83 Lakhs (YTD Mar'15).

- 2) Controlling of maximum demand throughout the billing cycle by alarm & tripping arrangement based on production volume to achieve maximum Load factor. Total rebate obtained due to load factor in electricity bill is Rs. 453.22 Lakhs (YTD Mar'15).
- 3) Installation of SCR controlled Lead pot heating system in place of conventional electrical contactor logic system at different machines (Ball mills, Grid Casting & Spine casting machines, PDO etc.) to achieve energy savings of Rs. 12.50 Lakhs per month.
- 4) Implementation of 80W/165W LED lights at different locations inside shop & street lighting instead of 250W/400W HPMV lamps to reduce energy consumption. Estimated cost savings: Rs. 1.50 Lakhs per month.
- 5) Electrical interlocking of fresh air & exhaust blowers with production machines for automatic switch-OFF during idle hours. Estimated energy savings: Rs. 2.40 Lakhs per annum.
- 6) Fixing of new translucent sheets at different areas in shop floor to increase daylight and switch-OFF shop floor lights during daytime. Estimated cost savings: Rs. 1.32 Lakhs per annum.
- 7) Implementation of LDR for automatic switching ON/OFF for shop floor lighting to reduce energy consumption. Estimated cost savings: Rs. 0.60 Lakh per annum.
- 8) Installation of 200 nos. 2 x 28 watt T5 energy efficient fluorescent lamps in place of 2x 40 Watt lamps in all offices & near production lines in shop floor to reduce energy consumption. Estimated energy savings: Rs. 2.40 Lakhs per annum.
- 9) Implementation of time switch for automatic switching of street lights inside factory premises as per requirement. Estimated energy savings: Rs. 0.45 Lakh per annum.



### Ahmednagar Plant

1. Reduction in unloading hours of air compressors by installing Variable frequency drive.
2. Installed VFD to Casting wet scrubber motor.
3. Replaced 150W HPSV street light lamps by 60 W LED lamps.
4. Interlock between Oxide Mixer & pasting Scrubber established to optimise power usage.
5. Forming fume extractor no. 1 switched off by shifting existing forming circuits to new forming area.
6. Provided root blower to replace the compressed air purging in acid tank in Acid filling area.
7. Installed VFD to paste mixer scrubber fan to modulate the fan speed corresponding to number of mixers in operation.
8. Installed VFD to exhaust fan motor in Reaction Pot system.
9. Reduction in compressed air consumption by arresting air leakages.
10. Maintained Power factor to unity.
11. Installed VFD to blower motor of all AHU.

### Roorkee Plant

1. Installation of 12KVA 192V Industrial UPS to get power backup at Administration and Raw Material Store in case of power failure to save consumption of fuel.
2. Conversion of CFL lights by energy efficient LED lights at reception and plant boundary area.
3. Utilisation of Bulb Load Bank as a boundary light at few areas, used by inverters under soaking at night.

4. Implementation of electronics Float Valve into RO plant to save wastage of purified water and power as well.
5. Utilisation of waste water of RO plant for wash rooms activities.
6. Optimised use of energy by switching off machines, lights, fans and air conditioners whenever not required.

### Haridwar Plant

1. Power Load is reduced from 375 KVA to 150 KVA.
2. Power factor is improved up to 0.96.
3. Tube lights are replaced by LED Lights.
4. Expenditure of Electricity bills is reduced by 50%.

**The Capital investment made by the Company on energy conservation equipment during the Financial Year ended 31st March, 2015: Rs. 17.13 Crores.**

## B. TECHNOLOGY ABSORPTION

### I. Technology Absorption, Adaptation and Innovation

This has been an ongoing activity with regular exchange of technical information to help in improvements to current products, development of new products and modernisation, automation of manufacturing process.

### II. Benefits

Introduction of new products/processes has helped the Company to meet the emerging market needs and also maintain its technological leadership. Significant benefits have been derived by way of enhanced market penetration by meeting the specific requirements of international and domestic vehicle manufacturers and the highly quality conscious export markets.





### III. Particulars of Imported Technology in the last 3 years

Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
Automotive and VRLA Lead Acid Storage Batteries with Shin-Kobe Electric Machinery Co. Ltd., Japan for Shamnagar, Haldia, Chinchwad and Hosur Plants.	Since 1994-1995. Current arrangement is effective from 1st April 2015 and valid till 31st March 2020.	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing.
Automotive Technical Assistance with Furukawa Battery Co. Ltd., Japan for Taloja Plant.	Since 1987-1988. Current arrangement is effective from 22nd April 2011 and is valid till 21st April, 2016.	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing.
Automotive batteries for Idling Stop System with Furukawa Battery Co. Ltd., Japan for Taloja Plant.	1st February, 2010. Present agreement was valid till 31st January 2015. Renewal process is underway.	Being absorbed. The Agreement also provides support for future product improvement.	Since the technology is continuous, the Agreement will be ongoing.
Valve Regulated Lead Acid Storage Batteries (VRLA) for Motorcycles with Furukawa Battery Co. Ltd., Japan for Ahmednagar and Bawal Plants.	9th March 2007. Present agreement was valid till 31st March 2015. Renewal process is underway.	Being absorbed. The Agreement also provides support for future product improvement.	Since the technology is continuous, the Agreement will be ongoing.
Lead acid batteries used for automotive, industrial, motorcycle and other applications with East Penn Manufacturing Co., USA.	15th January, 2012. Valid upto 14th January, 2017.	In progress.	Still under development.
Special Conventional Batteries for automotive applications with Shin-Kobe Electric Machinery Co. Ltd., Japan.	3rd February 2013. Valid upto 2nd February, 2023.	In progress.	Still under development.

### IV. Expenditure on R&D

The capital and revenue expenditure on R&D were Rs. 2.62 Crores and Rs. 12.51 Crores respectively, aggregating to Rs. 15.13 Crores.

Total R&D expenditure as percentage of Net Turnover: 0.22%

## C. FOREIGN EXCHANGE – EARNINGS AND OUTGOINGS

### 1. Activities relating to Export, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Export of Industrial Batteries, Inverters and Solar Systems recorded an impressive growth of 40% in value as compared to the previous year. This is primarily due to extraordinary growth of 240% in Standby Business mainly due to focused and enhanced activities in African continent where your Company grew by 139%.

Successful new inroads were made for export of Industrial Batteries in UAE, Cyprus, Kuwait, Yemen, Egypt, Italy, Peru, Poland, Bahrain, Ghana, Rwanda and Zimbabwe. Inverter continued to be key focus segment where new additions of markets like Lebanon, Burundi, Afghanistan, Egypt and South Africa were made.

Your Company executed a big prestigious Solar Packaged Project through its UAE partner in Egypt which was a Government project and the order value was 2.75 million US\$.

Your Company continued to supply Traction Batteries to one of the World's leading OEM Electric Truck Manufacturer in Germany which is the main Traction market of the Company after India. A number of major initiatives are taken and strategies have been adopted in order to get new markets and boost up the existing markets in Inverter and Solar segments.

The Export of Automotive Batteries recorded an impressive total growth of 62% in quantity and 42% in value compared to the previous year. This is accredited to the quantity growth of 45% for 4-wheeler batteries and 100% for motorcycle batteries in Bangladesh and Sri Lanka.

Your Company made successful inroads in export of automotive batteries in new markets in Philippines, Indonesia and Cyprus, while consolidating position in Spain, Yemen and Bangladesh.

Your Company supplies to one of the largest auto parts franchisor in Spain and has executed large order for them. The Company retained business of Automotive Batteries in SBS Bus Company and in Comfort Taxi Company, both at Singapore

Major initiatives have been taken by your Company to get into new markets in Africa, S.E Asia and MENA regions.

### 2. Total Foreign Exchange used and earned:

Used	: Rs. 898.54 Crores
Earned	: Rs. 247.47 Crores

On behalf of the Board of Directors

Place: Mumbai  
Date: April 30, 2015

**R. G. Kapadia**  
Chairman



## ANNEXURE - II

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED – 31.03.2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Exide Industries Limited,  
59-E, Chowringhee Road  
Calcutta - 700020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Exide Industries Limited (hereinafter called the company). Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (A statutory body constituted under the Company Secretaries Act, 1980) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

- **Management's Responsibility for Secretarial Compliances**

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

- **Auditor's Responsibility**

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and read with the Statutory Auditors' Report on Financial Statements and Compliance of the conditions of Corporate Governance and also the information provided by the Company, its officers; agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the company has, during the audit period covering the financial year ended on 31.03.2015 generally complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by Exide Industries Limited for the financial year ended on 31.03.2015 according to the applicable provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act; 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the company – **As reported to us, there were no FDI, ODI or ECB transaction in the company during the year under review.**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act) to the extent applicable to the company:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **No new securities were issued during the year.**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **No instances were reported during the year.**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **No instances were reported during the year.**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **The Company has appointed a SEBI authorised Category I Registrar and Share Transfer Agent.**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **No De-listing was done during the year.**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **No buy - back was done during the year.**



We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India: **not yet applicable.**
- ii. The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that as far as we have been able to ascertain -

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
4. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has -

1. Increased its investment in its Wholly Owned Subsidiary – Exide Life Insurance Co. Ltd. from Rs.160 Crore to Rs.175 Crore.

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the company and its Officers for systems and mechanism set-up by the company for compliances under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.

Place: Calcutta  
Date: 30.04.2015

Encl: Annexure "A" forming an integral part of this Report.

**(S. M. Gupta)**  
S. M. Gupta & Co.  
FCS No:896  
C P No :2053



## “Annexure A”

To,  
The Members,  
EXIDE INDUSTRIES LIMITED,  
59-E, Chowringhee Road  
Calcutta - 700020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audits.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the fairness of the contents of the Secretarial records. The verification was done on test basis to ensure that facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis to the extent applicable to the Company.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Calcutta  
Date: 30.04.2015

**(S. M. Gupta)**  
S. M. Gupta & Co.  
FCS No:896  
C P No :2053



## ANNEXURE - III

### BUSINESS RESPONSIBILITY REPORT

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L31402WB1947PLC014919
2. Name of the Company: Exide Industries Limited
3. Registered address: Exide House, 59E Chowringhee Road, Kolkata 700020, West Bengal, India
4. Website: www.exideindustries.com
5. Email id: exidecorp@exide.co.in
6. Financial Year Reported: 2014-15
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Industrial Activity Code [as per Central Excise Tariff Code]	Product Category
8507 10 00	Lead-Acid accumulators of a kind used for starting piston engines
8507 20 00	Other lead acid accumulators
8504 40 90	Uninterrupted Power Supply Systems

8. List of three key products that the Company manufactures (as in balance sheet):
  - a. Electric storage batteries used for starting piston engines
  - b. Other Lead-Acid Accumulators
  - c. Home UPS systems

9. Total number of locations where business activity is undertaken by the Company
  - i. Number of international locations: Sri Lanka, Singapore and UK
  - ii. Number of national locations: Nine factories, over 200 offices across India
10. Markets served by the Company – The Company has a pan India market presence through its extensive dealer network. Internationally it serves markets in several countries in Asia, Africa, Europe and North America.

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital: Rs. 85 Crores
2. Total (Net) Turnover: Rs. 6874.21 Crores
3. Total profit after taxes: Rs. 545.87 Crores
4. Total spending on Corporate Social Responsibility as percentage of profit after tax: 0.65 percent
5. List of activities in which expenditure in 4 above has been incurred:
  - a. Child health improvement schemes undertaken through UNICEF, Child health improvement project in the slums of Eastern Calcutta undertaken through CINI-Asha and other miscellaneous community oriented activities in and around the factory locations all over India e.g. school building infrastructure and providing computers and books for students, creating safe drinking water facilities, assistance for maintenance of roads, providing support to self-help groups for women etc.

**SECTION C: OTHER DETAILS****1. Does the company have any subsidiary company/ companies**

Yes, the Company has eight subsidiary companies out of which five are registered in India and three abroad.

**2. Do the subsidiary company/companies participate in the BR initiatives of the parent company? If yes then indicate the number of such subsidiary companies.**

Some of the Business Responsibility initiatives of the Company also cover the activities of certain subsidiaries. Additionally the Company also encourages its subsidiaries to formulate and practise their own BR initiatives based on their individual priorities. These initiatives and policies are mainly applicable to the subsidiaries which are engaged in manufacturing activities.

**3. Do any other entity/entities (e.g. suppliers, distributors etc) that the company does business with participate in the BR initiatives of the company? If yes, then indicate the percentage of such entity/entities?**

A large number of the Company's suppliers and other business associates are established entities in the organised sector. Further, several of the Company's customers are renowned OEMs. Most of such entities follow their own Business Responsibility initiatives. However, no formal study has been undertaken as of date to ascertain the percentage of such entities who participate in the BR initiatives.

**SECTION D: BR INFORMATION****1. Details of Director/Directors responsible for BR****a. Details of the Director/Directors responsible for implementation of the BR policy/policies**

- DIN Number: 00012343
- Name: Mr P.K. Katakya
- Designation: Managing Director & Chief Executive Officer

**b. Details of the BR head**

- DIN Number:
- Name:
- Designation:
- Telephone Number:
- Email id:

The Executive Committee, comprising of Key Managerial Personnel, oversees the implementation of the BR Policies

**2. Principle -wise (as per NBGs) BR Policy / Policies (Reply in Y/N)**

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	Do you have a policy/policies for...	Y*	Y*	Y	Y	Y*	Y	N	Y	Y*
ii.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	N	Y
iii.	Does the policy conform to any national/international standards? If yes, specify?	N	N	N	N	N	Y (National Voluntary Guidelines)	N	N	N
iv.	Has the policy been approved by the board? If yes, has it been signed by the MD/Owner/CEO/appropriate board director?	N#	N#	N#	N	N	N	N	N	N
v.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
vi.	Indicate the link for the policy to be viewed online?	(i)	(i)	(ii)	(iii)	(i)	(ii)	N	(iii)	(i)





Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
vii.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all key internal stakeholders of the Company.								
viii.	Does the company have an in-house structure to implement the policy/policies?	The Company has an internal management structure that oversees Policies and their implementation.								
ix.	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has various grievance redressal mechanisms for different stakeholders like employees, shareholders, customers, regulatory authorities, etc.								
x.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

\*The essence of this principle is embedded in the Company's vision, mission and core values statement.

# All policies have been signed by the MD & CEO.

i) [www.exideindustries.com/our\\_vision.html](http://www.exideindustries.com/our_vision.html)

ii) [www.exideindustries.com/our\\_policies.html](http://www.exideindustries.com/our_policies.html)

iii) [www.exideindustries.com/corporate\\_social.html](http://www.exideindustries.com/corporate_social.html)

**2. a If answer to S.No. 1 is No, please explain why (tick upto 2 options)**

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	The company has not understood the principles									
ii.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
iii.	The company does not have financial or manpower resources available for the task									
iv.	It is planned to be done within next six months									
v.	It is planned to be done within the next 1 year							✓		
vi.	Any other reason (please specify)									

**3. Governance related to BR**

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the company.**

The Executive Committee, comprising of the Key Management Personnel, is responsible for the strategic day to day management. This Committee of the Company oversees the implementation of and monitors the BR performance on a regular basis.

- **Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?**

The Company has not published a Sustainability Report till date.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company?**

The codes and policies governing this subject cover employees, vendors and also subsidiaries of the Company.

- 2. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?**

Yes, they extend to vendors, suppliers and also subsidiaries of the Company. Vendors, suppliers and contractors as well as their employees are covered by the written Code of Business Conduct that all vendors have to accept before supplying anything to the Company.

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide details thereof in about 50 words.**

During the financial year 2014-15 no complaint was received relating to ethics, bribery or corruption from any stakeholder.

**Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**

i. **Batteries for Electric Bikes/Electric Vehicles –**  
The Company manufactures batteries for E-bikes and also supplies batteries for Electric four-wheelers. These vehicles are environment friendly as they do not use fossil fuel.

ii. **ISS Batteries –** The Company manufactures Idle Start-Stop (ISS) Batteries for motor vehicles. The engine of these vehicles stop in idling conditions and turns on automatically thereafter as required which results in fuel savings. These vehicles are fitted with highly technically specialised batteries which are manufactured by the Company.

iii. **Batteries for Storage of Solar Energy –**  
The Company's range of solar batteries are used to store solar energy and power solar systems which is a non-conventional and renewable source of energy.

2. **For each such product provide the following details in respect of resource used per unit of product**

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There has been a reduction in usage of conventional energy and fossil fuels by the consumers as compared to the previous years due to the above products.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes what percentage of your inputs was sourced sustainably? Provide details thereof in about 50 words or so.**

Lead, the main raw material for the products of the Company is sourced either through mining or by recycling of lead/lead based products. The Company has taken up a programme for gradually increasing the quantity of recycled lead for use in its products. For this purpose an elaborate system for collection of used batteries in the country has been put in place mainly through the extensive network of dealers of the Company. Towards this end, the Company has also acquired two Lead Smelting Units for captive consumption. Presently close to 40 per cent of the lead and lead alloy requirements of the Company are met through recycled lead.

4. **Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company encourages and develops local manufacturers and small enterprises for supply of various locally procurable goods. Regular technical assistance is given by the Company to upgrade and maintain the quality and sustainability of the products manufactured by such enterprises. The Company also gives priority to local service providers for obtaining various support services in its offices and plants.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste? Also provide details thereof in about 50 words or so.**

The Company ensures optimal usage of raw materials and emphasises on recycling the waste generated during manufacturing process and also promotes use of recycled materials. As explained earlier recycled lead constitutes close to 40 per cent of the total lead and lead alloys used by the Company for manufacturing batteries. The Company also has two captive smelting units for recycling of lead. Apart from the above, the packaging material



used by the Company also contains recycled paper to a significant extent. Also, most of the Plants of the Company use recycled waste water for cleaning and gardening purposes. Bio-gas is also generated from canteen waste in one of the plants.

### Principle 3 Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees – 5,258
2. Please indicate the total number of employees hired on temporary/contractual/casual basis – 6,378
3. Please indicate the number of permanent women employees - 104
4. Please indicate the number of permanent employees with disabilities - 6
5. Do you have an employee association that is recognised by the management – Yes
6. What percentage of your permanent employees is members of this recognised employee association? 54%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

Sl No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

### 8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

- Permanent employees – 70%
- Permanent women employees – 45%
- Casual/temporary/contractual employees – 30%
- Employees with disabilities – Nil

### Principle 4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

#### 1. Has the company mapped its internal and external stakeholders?

The Company has mapped its internal and external stakeholders as follows: employees, customers, dealers, technical collaborators, suppliers, shareholders, regulatory authorities and members of the society who are directly or indirectly affected by the Company's operations.

#### 2. Out of the above, has the company identified the disadvantaged, vulnerable and marginalised stakeholders?

The Company's factories are located in semi-urban or rural areas where many basic amenities for the inhabitants are absent or minimal. The Company has identified the inhabitants of several neighbouring villages in the vicinity of its factories as the disadvantaged, vulnerable and marginalised stakeholders.

#### 3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so provide details thereof in 50 words or so.

Depending upon the needs of the villages around the factories, the Company undertakes various social initiatives targeted at these stakeholders in the villages so as to alleviate their quality of life. These activities vary from time to time and are often implemented in consultation with the local community leaders. Further several initiatives have also been taken for the benefit of such marginalised or disadvantaged sections of the society in other

locations where the Company has offices. Broad details of such activities can be found in the Director's Report under the Section - Corporate Social Responsibility.

### **Principle 5 Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ others?**

The Company's policy on human rights presently covers the Company, its subsidiaries, vendors and suppliers.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company did not receive any complaint regarding human rights violation from any quarter during the financial year 2014-15.

### **Principle 6 Business should respect, protect and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others**

The Company's policy on environment covers the Company and its subsidiaries.

**2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming etc? If yes, please give hyperlink for webpage etc**

The Company recognises that climate change is a real threat facing not just the Company but the entire global community, of which it is just a part. The Company also recognises it can play a meaningful role in trying to mitigate the problem by adopting certain strategies and initiatives in its day to day operations. The Company has a well laid down Energy Policy and is always striving to implement measures to reduce GHG emissions. Further, the Company has also contributed towards conservation and protection of wildlife. The Environmental Policy of the Company may be viewed at [www.exideindustries.com](http://www.exideindustries.com)

**3. Does the company identify and assess potential environmental risks?**

Yes. The Company actively tries to identify, assess and address potential environmental risks and takes preemptive action to minimise such risks in a structured manner.

**4. Does the company have any project related to Clean Development Mechanism? If so provide details thereof in about 50 words or so. Also if yes, whether any environmental compliance report is filed?**

Several of the Company's products are targeted at providing clean energy or replacing polluting technologies. The Company is also engaged in solar power business whereby it manufactures batteries for the solar power systems. The Company also manufactures batteries for electric vehicles and hybrid vehicles thereby contributing to the movement towards less dependence on fossil fuel.

The Company has also undertaken various projects for use of renewable energy e.g. solar and wind power, in its various plants which leads to reduction in carbon footprint. As stated earlier, proactive steps are taken to reduce GHG emissions on a continual basis.

The Company regularly files its environment compliance reports with various regulatory authorities from time to time.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc. If yes, please give hyperlink for web page etc.**

The Company has been progressively reducing its energy and raw material consumption per unit of battery manufactured. There is also a constant effort to conserve energy and improve energy efficiency at all locations. Substantial investments are made by the Company towards this end in all plants and the results achieved are regularly monitored. The Annexure to the Director's Report contains details of the steps taken to conserve energy during the financial year 2014-15.



**6. Are the emissions/waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

All the factories of the Company comply with the prescribed emission norms of various State or Central Pollution Control Boards. The Company's factories have also obtained international certifications for environmental management and cleanliness.

**7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.**

No showcause or legal notices from the pollution control authorities are pending as at the end of the financial year 2014-15.

**Principle 7 Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If yes name only those major ones that your business deals with**

The major industry associations of which the Company is a member includes: Bengal Chamber of Commerce and Industry, Confederation of Indian Industry, Engineering Export Promotion Council of India, Society of Indian Automobile Manufacturers, Indian Electrical and Electronics Manufacturers Association, Bombay Chamber of Commerce and Industry and Indian Battery Manufacturers' Association.

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas**

Through joint actions with various pollution control authorities and other associations, public awareness campaigns have been organised regarding the responsible use of lead and proper disposal thereof. The Company also took an active role in formulating the legislation for responsible handling and management of used lead acid batteries. Apart from this, the Company is represented on the governing bodies and several committees – both at the state and national levels, of CII and the Bengal Chamber of Commerce and Industry and through these forums the Company actively participates in various issues concerning business and society.

**Principle 8 Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has several socio-economic projects running in various parts of the country and particularly near its major plants. Among the major programmes the Company is supporting the UNICEF to work with the State Governments and a few selected NGOs to provide access to safe drinking water, sanitation and hygiene for women and children in rural areas, promote and provide menstrual hygiene management among rural women and promote clean school campaign in rural areas to highlight hygienic use of toilets and water etc.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**

Some of the projects are implemented through reputed national and international aid agencies or in association with local elected bodies like panchayats and some other projects are implemented through in-house teams.

**3. Have you done any impact assessment of your initiative?**

Yes. Some of the projects have been analysed for their impact on the target beneficiaries.

**4. What is your company's direct contribution to community development projects – amount in INR and the details of the projects undertaken**

The Company has spent Rs. 3.58 Crores in CSR projects during 2014-15. Apart from this, the Company has made donations to various charitable organisations and other institutions engaged in the fields of healthcare, environmental protection etc.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

Community development oriented projects at Exide are undertaken with a view to make the community self sufficient and self reliant. Setting up and

development of physical infrastructural projects have definitely helped the community to a great extent. Further through impact analysis studies it has been found that some of the intervention oriented projects have substantially achieved the intended objectives.

**Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year**

The Company has a robust CRM system to track customer feedback. During the year around 94 complaints were received through this system out of which around 66 percent was awaiting resolution as on the last day of the financial year.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Answer with yes/no/not applicable/Remarks**

Yes, the Company has displayed all mandatory information on the product labels as per local laws. Over and above the same, the product labels are designed to make customers aware about the safe usage, handling and disposal of the products.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof in about 50 words or so.**

Sometime in 2003 the Company terminated the dealerships of JVC Industrial Corporation and Univolt Electro Devices Private Ltd (both under the same management) due to various activities which were prejudicial to the interest of the Company. As an antithesis these erstwhile dealers filed complaints under the erstwhile MRTP Act 1969 alleging that the termination of their dealerships amounted to unfair trade practises by the Company. This complaint was subsequently transferred to the Competition Appellate Tribunal and is pending final hearing.

**4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

During 2014-15 the Company carried out various exhaustive market surveys on its customers in many of its key markets. Steps have been or are being taken based on the findings of those surveys.



## ANNEXURE - IV

### REPORT ON CORPORATE GOVERNANCE

#### Governance Philosophy

The Company's approach and commitment to ethical Corporate Governance remains unchanged in its 68-years of existence. The underlying principles and core values still guide the Company in all its executive decision making processes.

Corporate Governance is an internalised process which drives your Company to remain in its path as a sustainable wealth creator for all its stakeholders – shareholders, customers, employees and the overall society at large within which it exists. Your Company believes that while substantial societal resources are being utilised by large corporates to generate wealth and add value, it is the principles of Corporate Governance that should keep them in the right track so that the process of wealth creation is sustainable over an extended period of time.

Exide's principles of Corporate Governance are based on the philosophy of empowerment and responsibility. It feels the Management must be empowered to drive the organisation forward in the best interest of all the stakeholders. This empowerment, however, also thrusts upon it the responsibility to stay within the framework of accountability and transparency so that its actions are sustainable over a long time and benefit the larger society.

Exide believes that if proper checks and balances are worked into the system of functioning, then the Company's executive decision making becomes more process driven than individual driven and there are minimal chances of abuse of authority.

In its quest to inculcate an ethical corporate culture and citizenship within the organisation, Exide's governance philosophy depends heavily on a few tenets. These are trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. Your Company is of the view that by inculcating these tenets, the appropriate corporate culture can be created whereby the Company is managed in a way that reflects ethical corporate citizenship.

The tenet of Trusteeship dictates that the Board of Directors will protect and enhance shareholder value as well as discharge the Company's obligations to all the other stakeholders. The Company's role in the economic and social spheres will be fulfilled under this tenet.

Under the tenet of Transparency the Company makes necessary disclosures and explains the rationale behind its policies and decisions to all those who are affected by them.

Empowerment makes it possible for the Company to remain innovative across the levels. It makes every individual employee within the organisation free to determine his or her destiny in tune with that of the organisation. Empowerment means delegation and decentralisation so that decision making process is fast and transparent to everyone.

However, this freedom of action that Empowerment allows is counter balanced by Control which ensures that management decision making remains within the framework of rules. Checks and balances are devised in a way that prevents malpractices and removes opacity in decision making so that risk management becomes more effective.

The Corporate Governance principles and processes make it possible for the Company to remain steadfast in its path of ethical corporate behaviour and citizenship. The principles are also manifest in its high standards of ethical behaviour, both internally and externally.

#### The Governance Structure

The following three interlinked levels within Exide practice Corporate Governance:

- i. Strategic supervision – by the Board of Directors
- ii. Strategic management – by the Executive Committee
- iii. Executive management – by the Divisional Heads of businesses

The structure ensures that at the ground level the executive management of the divisions are focused on embellishing the quality, efficiency and effectiveness of each business vertical. This level functions under the strategic day to day management of the Executive Committee that has under its ambit the overall vision of the entire organisation. Above both these is the Board of Directors that provides the strategic supervision on behalf of the shareholders. The Board is free from the task of strategic management but has the larger role of guiding the executive management with objectivity so that accountability is ensured at all levels.

The central role of these three entities is dependent on the structure. Their role, in turn determines the responsibilities that is vested in them. Each entity is

formally empowered with the requisite powers so that there is no hindrance to its discharge of responsibilities for the overall growth of the organisation.

### BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

### Composition

The Board of Directors of the Company consists of five Executive Directors and six Non-Executive Directors including a Non-Executive Chairman. The Non-Executive Directors are eminent professionals with experience in business, finance, law and corporate management.

The composition of the Board of Directors as on April 30, 2015 is as follows:

Name of Director	Category of Directors	No. of other Directorships held(*)	Committee Memberships held in other companies (**)	
			As Member	As Chairman
Mr R G Kapadia	Independent Non-Executive Chairman	5	4	2
Mr R B Raheja	Non-Executive Vice Chairman	5	2	Nil
Mr P K Katakya	Executive Director	3	Nil	Nil
Mr G Chatterjee	Executive Director	4	2	Nil
Mr A K Mukherjee	Executive Director	3	1	Nil
Mr Nadeem Kazim	Executive Director	3	Nil	Nil
Mr Subir Chakraborty	Executive Director	2	Nil	Nil
Mr Vijay Aggarwal	Independent Non-Executive Director	4	2	1
Ms Mona N Desai	Independent Non-Executive Director	3	2	Nil
Mr S Chand	Independent Non-Executive Director	3	2	2
Mr Bharat Dhirajlal Shah	Independent Non-Executive Director	8	6	Nil

\* Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Companies u/s 8 of the Companies Act, 2013 and memberships of Managing Committees of various Chambers/bodies and Alternate Directorships.

\*\* Committees include only Audit Committee and Stakeholders Relationship Committee.

### Appointment/Re-appointment of Directors

Mr Bharat Dhirajlal Shah has been appointed as an Additional Director of the Company on April 30, 2015. A Notice in writing has been received from a Member along with requisite deposit under Section 160 of the Companies Act, 2013 proposing the appointment of Mr Bharat Dhirajlal Shah as a Director at the ensuing Annual General Meeting.

The following Director retire by rotation in accordance with the provisions of the Companies Act, 2013 and, being eligible have offered himself for re-appointment at the ensuing Annual General Meeting:

### Mr R B Raheja

A brief Resume of the Director proposed to be appointed/re-appointed, along with the particulars of Directorships





held by them, has been appended to the Notice for the Annual General Meeting which is being circulated to the members alongwith this Report.

Mr Bharat Dhirajlal Shah and Mr R B Raheja do not hold any equity shares in the Company.

### Meetings and Attendance

During the financial year ended March 31, 2015, six Board Meetings were held on April 25, 2014, July 18, 2014, July 21, 2014, October 20, 2014, January 31, 2015 and February 24, 2015 respectively. The previous Annual General Meeting was held on July 22, 2014.

Directors attendance at Board Meetings and at Annual General Meeting (AGM):

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr R G Kapadia	4	Yes
Mr R B Raheja	2	-
Mr P K Katakya	6	Yes
Mr G Chatterjee	6	Yes
Mr A K Mukherjee	6	Yes
Mr Nadeem Kazim	4	Yes
Mr Subir Chakraborty	5	Yes
Mr S B Raheja*	Nil	-
Mr Vijay Aggarwal	4	Yes
Mr D S Parekh (Alternate to Mr S B Raheja)*	Nil	-
Mr W Wong**	Nil	-
Ms Mona N Desai	4	Yes
Mr S Chand	5	Yes
Mr Bharat Dhirajlal Shah***	-	-

\* Mr S B Raheja resigned from the Board of Directors of the Company with effect from May 27, 2014. Consequent upon his resignation Mr D S Parekh (Alternate to Mr S B Raheja) also resigned from the Board of Directors on the same day.

\*\* Mr W Wong was due to retire by rotation at the Annual General Meeting held on July 22, 2014. Mr Wong expressed his unwillingness to be reappointed as a Director of the Company.

\*\*\* Mr Bharat Dhirajlal Shah was appointed as an Additional Director at the Board Meeting of the Company held on April 30, 2015.

### Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, functions, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act 2013 and Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

By way of an introduction to the Company, the Director is presented with the Company profile, relevant Annual Reports and the details of the Company's manufacturing facilities and a complete oversight into the Company operations and control.

### CODE OF ETHICS FOR BOARD OF DIRECTORS AND SENIOR EXECUTIVES

The Board had approved of the Code of Ethics for Board of Directors and Senior Executives as applicable to the Directors and the members of the Senior Executives on July 21, 2014. All Directors and Members of the Senior Executives have adhered to the Code of Ethics for Board of Directors and Senior Executives of the Company during the year and have signed declarations of compliance with the same. The Annual Report of the Company contains a declaration to this effect from the Managing Director & CEO. The Code of Ethics for Board of Directors and Senior Executives has also been posted on the website of the Company.

### Committees of the Board

#### A. Audit Committee

The Audit Committee of the Company, inter alia, provides assurance to the Board on the adequacy of the internal control systems, financial disclosures and ensures that generally accepted accounting principles are observed by the Company. It also provides guidance and liaise with the Internal Auditors as well as the Statutory Auditors of the Company.

The terms of reference of the Audit Committee are in conformity with the revised requirements of Clause 49 of the Listing Agreement read in conjunction with Section 177 of the Companies Act, 2013.



### Composition

The Audit Committee presently comprises of four independent Non-Executive Directors. Mr R G Kapadia, Chairman of the Committee is an independent Non-Executive Director and a Chartered Accountant, acknowledged as a financial expert in his own right. Mr Vijay Aggarwal, Ms Mona N Desai and Mr S Chand are also members of the Audit Committee. All the members are well versed in corporate finance and related areas. The Managing Director & CEO, Director - Finance & CFO and Chief - Internal Audit are permanent invitees to the audit committee meetings.

### Attendance

During the financial year ended March 31, 2015, four meetings of the Audit Committee were held on April 25, 2014, July 21, 2014, October 20, 2014 and January 31, 2015 respectively.

Name of Director	Number of meetings attended
Mr R G Kapadia	4
Mr Vijay Aggarwal	3
Ms Mona N Desai	4
Mr S Chand	3

The representative(s) of the Statutory Auditors attended four Audit Committee Meetings during the year.

### B. Nomination and Remuneration Committee

The Remuneration Committee of Directors was reconstituted as the Nomination and Remuneration on July 21, 2014 in accordance with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Mr Vijay Aggarwal is the Chairman of the Committee who is also an Independent Non-Executive Director. The names of the other members of the Committee are Mr R G Kapadia, Mr Sudhir Chand, Ms Mona N Desai and Mr P K Katakya.

The terms of reference of the Nomination and Remuneration Committee inter alia includes the following:

- i. To identify persons who are qualified to become directors and who may be appointed in the Senior Management and to lay down the criteria thereof;

- ii. To recommend to the Board appointment of Directors and Senior Management and their removal;
- iii. To evaluate the individual director's performance;
- iv. Formulate the criteria for determining the qualification, positive attribute and independence of the directors;
- v. Recommend to the Board policy relating to remuneration for directors, key managerial personnel and other employees; and
- vi. Devising a policy on Board diversity.

Further, in accordance with the amendments made in the Listing Agreement with effect from October 1, 2014, the Company at its Meeting of the Board of Directors held on February 24, 2015 duly adopted a Remuneration Policy containing a broad framework within which the Nomination and Remuneration Committee have to operate which inter alia is divided into five parts:

- **Part-A** covers criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors;
- **Part-B** covers Induction and Training of Directors;
- **Part-C** covers Performance Evaluation of Board, its Committees and Directors including Independent Directors;
- **Part-D** covers Remuneration of Directors, KMPs and Senior Management Personnel; and
- **Part-E** covers Board Diversity.

### Annual Performance Evaluation

The Annual Performance Evaluation of the Executive and Non-executive Directors of the Company has been made in accordance with the Remuneration Policy of the Company which is annexed with the Directors' Report ("Annexure VII").



### Attendance

During the financial year ended March 31, 2015 one meeting of the Remuneration Committee was held on April 25, 2014:

Name of Director	Number of meetings attended
Mr R G Kapadia	1
Mr P K Katakya	1
Mr Vijay Aggarwal	1
Ms Mona N Desai	1
Mr S Chand	-

### Remuneration of Non-Executive Directors

None of the Non-Executive Directors, except Mr R G Kapadia, has received any remuneration from the Company apart from sitting fees. With effect

from April 1, 2014, Mr R G Kapadia is entitled to a remuneration by way of commission upto a ceiling of 1% of the net profits of the Company for each financial year computed in the manner as laid down in Section 198 of the Companies Act, 2013. Such remuneration shall be in addition to the sitting fees payable to Mr R G Kapadia for attending the Meetings of the Board of Directors or any Committees thereof.

### Remuneration of Executive Directors

All the Executive Directors of the Company have been appointed on contractual basis. The details of remuneration paid to Executive Directors for the year ended March 31, 2015 are given herein below:

Name of Director	Salary & Performance Bonus	Contributions to retiral funds	Perquisites & Other benefits	Commission	Total
Mr P K Katakya	1,63,80,000	41,44,251	18,86,996	85,15,000	3,09,26,247
Mr G Chatterjee	1,65,60,000	39,84,856	11,78,386	81,87,500	2,99,10,742
Mr A K Mukherjee	86,46,000	21,04,004	13,07,425	43,23,000	1,63,80,429
Mr Nadeem Kazim	57,64,000	14,02,669	10,18,538	28,82,000	1,10,67,207
Mr Subir Chakraborty	55,18,000	12,11,396	5,75,674	24,89,000	97,94,070

(in Rs.)

### Shareholding of Non-Executive Directors

Name of Director	No. of shares held as on March 31, 2015
Ms Mona N Desai	78,666
Mr S Chand	18,872

### C. Stakeholders Relationship Committee

The Shareholder's Grievance Redressal Committee has been reconstituted as Stakeholders Relationship Committee on July 21, 2014 in accordance with the requirements of the Companies Act, 2013. The Committee comprises of three Directors. Mr S Chand, a Non-Executive Independent Director is the Chairman of the Stakeholders Relationship Committee. Mr P K Katakya and Mr G Chatterjee are also members of the Stakeholders Relationship Committee.

The Committee looks into redressal of investor complaints relating to transfer of shares, non-receipt of dividend, non-receipt of annual reports etc.

### Attendance

During the financial year 2014-15, a Meeting of the Stakeholders Relationship Committee was held on January 31, 2015.

Name of Director	Number of meetings attended
Mr S Chand	1
Mr P K Katakya	1
Mr G Chatterjee	1

Details of complaints at the beginning of the year, received and resolved during the year and pending share transfers as on March 31, 2015:

Number of complaints at the beginning of the year	Nil
Number of complaints received	12
Number of complaints redressed	12
Number of complaints not resolved	Nil
Number of pending share transfers	Nil



#### D. Share Transfer Committee

The Share Transfer Committee comprises of four Executive Directors, viz. Mr P K Katakya, Mr G Chatterjee, Mr A K Mukherjee and Mr Nadeem Kazim. The Committee approves the transfer/transmission of shares, sub-division or consolidation of shares and issue of new/duplicate share certificates, etc.

##### Attendance

During the financial year ended March 31, 2015, twenty nine Meetings of the Share Transfer Committee were held on April 2, 2014, April 14, 2014, April 28, 2014, May 10, 2014, May 23, 2014, June 21, 2014, July 5, 2014, July 14, 2014, July 28, 2014, August 12, 2014, August 22, 2014, September 5, 2014, September 19, 2014, September 29, 2014, October 9, 2014, October 21, 2014, November 1, 2014, November 14, 2014, November 29, 2014, December 11, 2014, December 22, 2014, January 2, 2015, January 16, 2015, January 31, 2015, February 11, 2015, February 23, 2015, March 6, 2015, March 16, 2015 and March 30, 2015 respectively:

Name of Director	Number of meetings attended
Mr P K Katakya	29
Mr G Chatterjee	25
Mr A K Mukherjee	26
Mr Nadeem Kazim	28

#### E. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013, it is necessary to constitute a Corporate Social Responsibility Committee (Committee of the Board of Directors). A Corporate Social Responsibility Committee of Directors have been constituted on April 25, 2014. The Committee has already formulated a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, recommend the amount of expenditure and also monitor the Policy from time to time. The Committee comprises of Mr R G Kapadia, Chairman, Mr Sudhir Chand, Member, Mr P K Katakya, Member and Mr G Chatterjee, Member

The Meeting of the Corporate Social Responsibility Committee was held on February 24, 2015 and all members of the Committee attended the Meeting.

#### F. Banking Operations Committee

The Banking Operations Committee has been constituted to approve opening and closing of bank accounts, change in bank signatories and other routine banking operations. The Committee comprises of four Executive Directors, viz. Mr P K Katakya, Mr G Chatterjee, Mr A K Mukherjee and Mr Nadeem Kazim.

##### Attendance

During the financial year ended March 31, 2015, three Meetings of the Committee were held May 19, 2014, October 31, 2014 and February 24, 2015 respectively.

Name of Director	Number of meetings attended
Mr P K Katakya	2
Mr G Chatterjee	3
Mr A K Mukherjee	3
Mr Nadeem Kazim	3

#### G. Executive Committee

The Executive Committee comprises of the Executive Directors and Key Management Personnel and the Committee focuses on the strategic management issues of the Company, subject to the overall supervision of the Board of Directors.

During the financial year ended March 31, 2015, nine Meetings of the Executive Committee were held on May 2, 2014, June 27, 2014, July 5, 2014, August 4, 2014, September 9, 2014, November 13, 2014, December 10, 2014, January 19, 2015 and February 10, 2015 respectively.

The names of members of the Executive Committee as on March 31, 2015 and the number of Meetings attended by them during 2014-15 are as follows:

Name	Number of meetings attended
Mr P K Katakya	9
Mr G Chatterjee	9
Mr A K Mukherjee	9
Mr S Coomer	8
Mr Nadeem Kazim	9
Mr Subir Chakraborty	9



## H. Independent Directors Meeting

During the year under review, the Independent Directors met on February 24, 2015 inter alia, to discuss:

- i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- iii. Evaluation of the quality, content and timelines of flow of information between the Management and the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the said Meeting.

## POLICIES

### I. Risk Management Policy

In accordance with Clause 49 of the Listing Agreement, the Board of Directors of the Company are responsible for framing, implementing and monitoring the Risk Management plans of the Company. The Company has a defined Risk Management Policy and the same has been approved by the Board of Directors of the Company.

The Risk Management Policy is available on the Company's web-site under the following web-link <http://www.exideindustries.com/corporate/about-us/our-policies>

### II. Whistle Blower Policy

In accordance with the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 every listed Company is required to have a Vigil mechanism for the Directors and employees to report their genuine concerns and grievances. The Company has a Whistle Blower Policy in place and the same is also available in the website of the Company. The Audit Committee of Directors is entrusted with the responsibility to oversee the Vigil mechanism.

The Whistle Blower Policy is uploaded on the Companies website under the following web-link <http://www.exideindustries.com/corporate/about-us/our-policies>

### III. Policy Regarding Material Subsidiaries

In accordance with the requirements of Clause 49 of the Listing Agreement the Company has a Policy on Material Subsidiaries. A subsidiary shall be considered a material subsidiary if any of the following conditions are satisfied:

- a. if the net-worth (i.e., paid-up capital and free reserves) of the subsidiary exceeds 20% of the consolidated net worth of the Company and its subsidiaries in the immediately preceding accounting year; or
- b. if the income of the subsidiary exceeds 20% of the consolidated income of the Company and its subsidiaries in the immediately preceding accounting year.

The Policy on Material Subsidiaries have been uploaded in the Companies website under the following web-link <http://www.exideindustries.com/corporate/about-us/our-policies>

### IV. Policy on Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year ended March 31, 2015 were in the Ordinary course of business and on an arm's length basis and without any conflict of interest. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the Accounting Standard (AS 18) have been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link is <http://www.exideindustries.com/corporate/about-us/our-policies>

## GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
65 <sup>th</sup>	March 31, 2012	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	July 17, 2012	10.30 AM
66 <sup>th</sup>	March 31, 2013	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	July 16, 2013	10.30 AM
67 <sup>th</sup>	March 31, 2014	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	July 22, 2014	10.00 AM

## Special Resolutions

The details of the special resolutions passed by the Company at the last three Annual General Meetings (AGM) are given herein below:

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act
July 17, 2012	None	Not Applicable
July 16, 2013	Payment of Commission to Non-Executive Chairman	309 and 314 of the Companies Act, 1956
July 22, 2014	Payment of Commission to Non-Executive Chairman	149, 197 and 198 of the Companies Act, 2013

## Postal Ballot

No resolution requiring postal ballot was placed before the last Annual General Meeting. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

The Economic Times  
The Telegraph  
Ananda Bazar Patrika  
The Hindu Business Line  
The Times of India  
The Mint

## DISCLOSURES

a. **Details of non-compliance by the Company, penalties imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.**

There was no such instance of non-compliance during the last three years.

b. **All Mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.**

- B. The Company's website at [www.exideindustries.com](http://www.exideindustries.com) is regularly updated with financial results.
- C. Whether MD & A is a part of Annual Report: Yes
- D. Whether Official news Releases and Presentations made to Institutional Investors/Analysts are posted on the website of the Company: Yes

## MEANS OF COMMUNICATION

A. Quarterly results and Audited Financial Results are generally published in following Newspapers:

## GENERAL SHAREHOLDER INFORMATION

- The 68th Annual General Meeting is proposed to be held on Financial Year: April 1 to March 31.
- The Company has furnished information, as required under Clause 49(VIII)(E) of the Listing Agreement of the Stock Exchanges, relating to re-appointment of retiring directors. Shareholders may



kindly refer to the Notice convening the 68th Annual General Meeting of the Company. The name of other companies in which the retiring directors hold directorship and the membership of Committees of the Board in other Companies are also given in the annexure to the Notice convening the 68th Annual General Meeting.

#### 1. Tentative Financial Calendar for 2015-16

First Quarterly Results	July, 2015
Second Quarterly/Half Yearly Results	October, 2015
Third Quarterly Results	January, 2016
Annual Results for the year ending on March 31, 2016	April, 2016
Annual General Meeting for the year ending on March 31, 2016	July, 2016

#### 2. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from July 25, 2015 to July 31, 2015 (both days inclusive).

#### 3. Dividend Payment Date

During the financial year 2014-15, the Company paid an interim dividend @ Rs. 1.50 per equity share, to its shareholders.

The Final Dividend @ Re. 0.70 per equity share as recommended by the Board at its meeting held on April 30, 2015 for the year ended March 31, 2015, if approved by the shareholders at the ensuing Annual General Meeting to be held on July 31, 2015, will be paid within 30 days from the date of the Annual General Meeting.

#### 4. Listing of Equity Shares on Stock Exchanges and Stock Code/Symbol

The Equity Shares of the Company are presently listed on the following Stock Exchanges:

Name of the Stock Exchange	Stock Code	Symbol
The Calcutta Stock Exchange Limited	15060 & 10015060	-
Bombay Stock Exchange Limited	500086	-
National Stock Exchange of India Limited	-	EXIDEIND

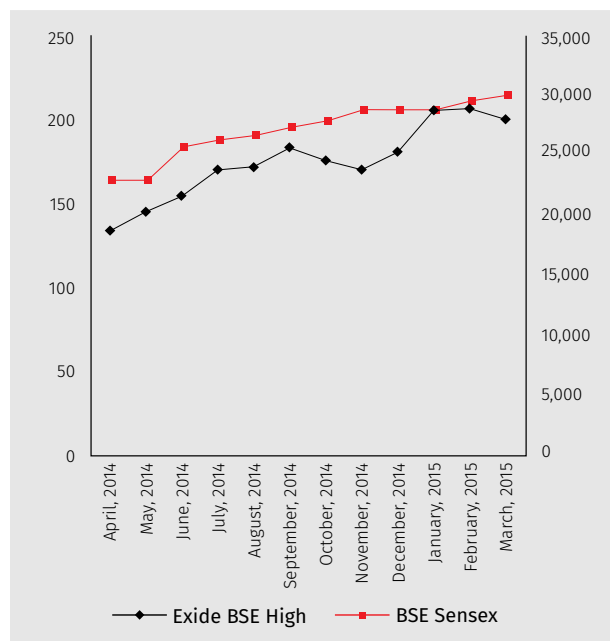
#### 5. Stock Market price data for the year on BSE, NSE & CSE

Month	BSE(#)		NSE(#)		CSE*	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2014	133.60	118.75	133.80	118.30	*	*
May 2014	145.05	114.00	145.00	113.85	*	*
June 2014	154.30	137.25	154.50	137.15	*	*
July 2014	170.00	142.25	169.95	141.90	*	*
August 2014	171.90	155.30	171.90	155.00	*	*
September 2014	183.10	160.00	183.40	160.75	*	*
October 2014	175.55	150.35	175.50	150.10	*	*
November 2014	170.10	147.85	170.50	147.25	*	*
December 2014	180.55	158.60	180.65	158.50	*	*
January 2015	205.40	177.30	205.20	176.30	*	*
February 2015	206.50	173.05	203.00	173.00	*	*
March 2015	200.00	174.70	199.95	174.60	*	*

(#) Source BSE and NSE web-site

\* No trading on the exchange

## 6. Share Price Index



## 7. Share Transfer Agent

The Company has engaged the services of C B Management Services (P) Ltd, P-22 Bondel Road, Kolkata - 700 019, a SEBI registered body as its Registrar and Share Transfer Agent for processing transfers, sub-division, consolidation, etc. Since trading in Company's shares can now be done only in the dematerialised form request for demat and remat should be sent directly to the Registrar. The Company has made arrangements for dematerialisation of its share currently held in physical form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

## 8. Share Transfer System

As already stated, the Company's shares are traded on the Stock Exchanges, compulsorily in demat mode. Therefore, shareholders are requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and Share Certificates, etc. should be sent by their Depository Participants (DPs) directly to the

Share Transfer Agents. Any delay on the part of the DPs to send the DRF and the Share Certificates beyond 15 days from the date of generation of the DRN by the DP will be rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 15 days. Shareholders should, therefore, ensure that their DPs do not delay in sending the DRF and Share Certificates to the Share Transfer Agent after generating the DRN.

## 9. Nomination Facility

Pursuant to of the Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital & Debentures) Rules, 2014, nomination facility is available to the shareholders. This facility is mainly useful for shareholders holding the shares in single name. In cases where the shares are held in joint names, the nomination will be effective only in the event of death of all the joint holders.

Investors are advised to avail of this facility, especially those holding securities in single name, to avoid the expensive and long drawn process of transmission by law.

Investors holding shares in physical form may obtain nomination form (Form SH-13) from the Registrar and Share Transfer Agent of the Company. However, if the shares are held in dematerialised form, the nomination has to be intimated to the depository participants directly, as per the format prescribed by them.

## 10. Share Transfer Record

Month	No. of Transfer	No. of shares processed
April, 2014	11	10,944
May, 2014	7	4,904
June, 2014	6	13,520
July, 2014	7	4,374
August, 2014	7	13,761
September, 2014	5	13,034
October, 2014	1	2,900
November, 2014	6	10,181
December, 2014	4	5,000
January, 2015	6	3,611
February, 2015	3	7,280
March, 2015	7	22,440





### 11. Distribution of Shareholding as on March 31, 2015

Range	No. of shares of face value Re. 1/- each	% of total shares	Total no. of holders	% of Total holders
1-5000	3,19,25,788	3.76	81,840	95.58
5001-10000	1,44,26,828	1.70	2,033	2.37
10001-20000	1,29,58,912	1.52	930	1.09
20001-30000	63,87,141	0.75	262	0.31
30001-40000	50,62,442	0.60	144	0.17
40001-50000	35,13,445	0.41	78	0.09
50001-100000	82,57,403	0.97	121	0.14
100001 & above	76,74,68,041	90.29	216	0.25
<b>Total</b>	<b>85,00,00,000</b>	<b>100.00</b>	<b>85,624</b>	<b>100.00</b>

### 12. Shareholding pattern of the Company as on March 31, 2015:

Category	No. of shares	% of total issued shares
Promoter Holding	39,09,54,666	45.99
Foreign Institutional Investors	14,89,87,672	17.53
Non Resident Individual	34,80,171	0.41
Mutual Funds	5,72,16,515	6.73
Financial Institutions, Insurance Companies & Banks	7,84,66,478	9.23
Public	8,52,44,791	10.03
Bodies Corporate	8,55,41,993	10.07
Directors & their relatives	1,07,714	0.01
<b>Total</b>	<b>85,00,00,000</b>	<b>100.00</b>

### 13. Dematerialisation of Shares

As on March 31, 2015, 97.96% of the Company's total shares representing 83,26,19,346 shares are held in dematerialised form and 2.04% representing 1,73,80,654 shares are in physical form.

### 14. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs, ADRs, Warrants or any other convertible instruments.

### 15. Cost Audit

Name of the Cost Auditor : M/s Shome & Banerjee  
Cost Accountants  
5A, Nurulla Doctor Lane (West Range)  
2nd Floor,  
Kolkata – 700 017  
Regn No.: 000001

Actual date of filing the Cost Audit Report For 2013-14 : August 28, 2014

### 16. Plant Locations

State	Address
West Bengal	91 New Chord Road, Authpur, Shamnagar, 24 Parganas (N) - 743 128
West Bengal	Durgachak, Haldia, Dist Midnapore (E), West Bengal - 721 602
Haryana	Plot No. 179, Sector 3, HSIIDC Growth Centre, Bawal - 123 501
Maharashtra	D2, MIDC Industrial Estate, Chinchwad East, Pune - 411 019
Maharashtra	Plot No. T-17 MIDC Taloja Industrial Area, Taloja - 410 208
Maharashtra	E-5, MIDC, Nagapur Taluka, Ahmednagar - 414 111



State	Address
Tamil Nadu	Chichurakanapalli, Sevaganapalli Panchayat, Hosur Taluk, Dist Krishnagiri - 635 103
Uttarakhand	Khasra No. - 275, Lakeshwari Industrial Area, Bhagwanpur, Roorkee, Dist-Haridwar - 247 661
Uttarakhand	Plot No. 31, Sector 8A, Integrated Industrial Estate, Ranipur, Haridwar - 249 403

### 17. Address for Correspondence

The Company's registered office is situated at Exide House, 59E, Chowringhee Road, Kolkata - 700 020.

Shareholders correspondence should be addressed to;

- (a) Share Department, Exide Industries Limited, Exide House, 59E Chowringhee Road, Kolkata - 700 020.  
Contact Person:  
Mr Jitendra Kumar,  
Company Secretary and Compliance Officer,  
Tel Nos. : [033] 2283 2120/2150  
Fax No. : [033] 2283 2642  
Email : Jitendrak@exide.co.in
- (b) C B Management Services (P)Ltd, P-22 Bondel Road, Kolkata- 700 019  
Contact Person:  
Mr Shankar Ghosh,  
Sr Vice President  
Tel No. : [033] 4011 6700//4011 6725/4011 6729  
Fax No. : [033] 4011 6739 Email: rta@cbmsl.com
- (c) For investor grievances shareholders may send an email to cosec@exide.co.in

### Status as regards adoption/non adoption of non-mandatory requirements laid down in revised Clause 49 of the Listing Agreement and forming part of the Report on Corporate Governance

Particulars	Status
<b>1) The Board</b> Non-Executive Chairman may maintain a Chairman's office at the expense of the Company and also allowed reimbursement of expenses incurred in performance of his duties.	Not Adopted
<b>2) Shareholders Rights</b> A half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.	Not Adopted
<b>3) Audit Certifications</b> Company may move towards a regime of unqualified financial statements	Adopted even before Clause 49 became effective
<b>4) Separate posts of Chairman and CEO</b> The Company may appoint separate persons to the post of Chairman and Managing Director/CEO	Adopted
<b>5) Reporting of Internal Auditor</b> The Internal auditor may report directly to the Audit Committee	Not Adopted

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges on Code of Corporate Governance, Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed.



## AUDITORS' CERTIFICATE

**To**  
**The Members of Exide Industries Limited**

We have examined the compliance of conditions of corporate governance by Exide Industries Limited, for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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 the 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 above mentioned Listing Agreement.

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

For **S.R.Batliboi & Co. LLP**  
Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015



## CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)

The Board of Directors  
**Exide Industries Limited**  
 Exide House  
 59E, Chowringhee Road  
 Kolkata – 700 020

We P K Katakya Managing Director & CEO and A K Mukherjee, Director-Finance & CFO of Exide Industries Limited certify to the Board in terms of the requirement of Clause 49 IX of the Listing Agreement with the Stock Exchanges, that we have reviewed the financial statement and cash flow statement of the Company for the financial year ended March 31, 2015.

1. To the best of our knowledge, we certify that:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading;
  - b) 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; and
  - c) there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
2. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, and further state that there were no deficiencies in the design or operation of such internal controls.
3. We do further certify that there has been:
  - a) no significant changes in internal controls during the year;
  - b) no significant changes in accounting policies during the year; and
  - c) no instances of fraud, of which we are aware during the period.

Place: Kolkata  
 Date: April 25, 2015

**P. K. Katakya**  
 Managing Director & CEO

**A. K. Mukherjee**  
 Director - Finance & CFO

## ANNUAL DECLARATION UNDER CLAUSE 49(II)(E) OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

### DECLARATION

As required under Clause 49 (II)(E) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have complied with Code of Conduct and Ethics of the Company for the year ended March 31, 2015.

Place: Kolkata  
 Date: April 25, 2015

**A. K. Mukherjee**  
 Director - Finance & CFO



## ANNEXURE - V

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

Extracts of the CSR Policy is stated herein below:

**Weblink:**

<http://www.exideindustries.com/corporate/about-us/our-policies>

- 2. Composition of the CSR Committee:**

Mr Rajesh G Kapadia (Chairman)  
Mr Sudhir Chand (Member)  
Mr P K Katakya (Member)  
Mr Gautam Chatterjee (Member)

- 3. Average net profit of the Company for last three financial years:**

Average net profit: Rs. 685.14 Crores

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

The Company is required to spend Rs. 13.70 Crores towards CSR.

- 5. Details of CSR spend for the financial year:**

- a. Total amount spent for the financial year:**

Rs. 3.58 Crores

- b. Amount unspent, if any:**

Rs. 10.12 Crores

- c. Manner in which the amount spent during the financial year is detailed below:**

(Rs. in Lakhs)

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programme wise	Amount Spent on the project or programme	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)				
1	Marrow Donor Registry (India)		-	100.00	100.00	-	100.00
2	Prime Minister's National Relief Fund		-	100.00	100.00	-	100.00
3	Swachh Bharat Kosh		-	50.00	50.00	-	50.00
4	Vivekananda Kendra Vidyalaya Tezpur-School Building	Promoting education	Tezpur, Assam	1.00	1.00	-	1.00
5	Child In Need Institute	Promoting education	Kolkata	3.00	3.00	-	3.00
6	Unicef	Sanitation and safe drinking water	-	100.01	100.01	-	100.01



(Rs. in Lakhs)							
Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programme wise	Amount Spent on the project or programme	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)				
7	Govt High School-Prize	Promoting education	Bawal	0.18	0.18	-	0.18
8	Seva Prakalpa	Promoting healthcare	Haldia	0.09	0.09	-	0.09
9	Electrification Job at School	Promoting education	Haldia	0.81	0.81	-	0.81
10	Chanakya Enterprise-Financing Job/ Plantation	Ensuring environment sustainability	Haldia	0.59	0.59	-	0.59
11	Finer Art- Banner	Ensuring environment sustainability	Haldia	0.01	0.01	-	0.01
12	Planting of Sapplings	Ensuring environment sustainability	Haldia	0.49	0.49	-	0.49
13	Supply of Medicine	Promoting healthcare	Haldia	0.38	0.38	-	0.38
14	Cleaning of Hosur Bus Stand	Livelihood enhancement projects	Hosur	0.15	0.15	-	0.15
15	Fabrication of steel cage for plantation	Ensuring environment sustainability	Shamnagar	1.29	1.29	-	1.29
<b>Total</b>				<b>358.00</b>	<b>358.00</b>	<b>-</b>	<b>358.00</b>

\*All amounts have been spent on CSR activities directly by the Company

**6. The Company has explained the reasons for shortfall in CSR spending during the year under review in the Report of the Board of Directors.**

**7. Responsibility Statement**

The Responsibility Statement of the Corporate Social Responsibility and Governance (CSR & G) Committee of the Board of Directors of the Company is reproduced below:

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

**P. K. Katakya**  
Managing Director & CEO

**R. G. Kapadia**  
Chairman of the CSR Committee



**EXTRACTS OF THE CSR POLICY**  
**(Approved by the Board of Directors on February 24, 2015)**

Our aim is to be one of the most respected companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to:

- i Increasingly contribute to activities that are beneficial to the society and community at large.
- ii Chart out a mechanism for undertaking CSR activities.
- iii Engage with the Company's key stakeholders in matters related to CSR activities.
- iv Align the CSR activities undertaken by the Company with the applicable laws.

## ANNEXURE - VI

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2015  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	: L31402WB1947PLC014919
ii)	Registration Date	: January 31, 1947
iii)	Name of the Company	: Exide Industries Limited
iv)	Category/Sub-Category of the Company	: Public Company Limited by shares
v)	Address of the Registered office and contact details	: Exide Industries Limited, Exide House, 59 E Chowringhee Road, Kolkata 700020 Tel: 033-2283 2120/50 Fax: 033-2283 2642
vi)	Whether listed company Yes/No	: Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	: C B Management Services (P) Ltd P-22, Bondel Road, Kolkata 700019 Ph: +913340116700/6729, Fax: +913340116739 email: rta@cbmsl.com, Website: www.cbmsl.com

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

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% total turn over of the Company
1	Storage Battery	31401	100%

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiaries/ Associate	% of shares held	Applicable Section
1	Chloride Power Systems & Solutions Ltd Exide House, 59E Chowringhee Road, Kolkata 700 020	U29221WB1980PLC032796	Subsidiary	100%	Section 2(87)(ii)
2	Chloride Metals Ltd Exide House, 59E Chowringhee Road, Kolkata 700 020	U34300WB1998PLC181003	Subsidiary	100%	Section 2(87)(ii)
3	Chloride Alloys India Ltd Exide House, 59E Chowringhee Road, Kolkata 700 020	U05190WB2002PLC183308	Subsidiary	100%	Section 2(87)(ii)





### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (CONTD.)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiaries/ Associate	% of shares held	Applicable Section
4	Exide Life Insurance Company Ltd 5th Floor, ING Vysya House, 22 M G Road, Bangalore 560 001	U66010KA2000PLC028273	Subsidiary	100%	Section 2(87)(ii)
5	Chloride International Ltd Exide House, 59E Chowringhee Road, Kolkata 700 020	U31402WB1947PLC014918	Subsidiary	100%	Section 2(87)(ii)
6	Chloride Batteries S.E Asia Pte. Ltd 106 Neythal Road Singapore 628594	N.A.	Subsidiary	100%	Section 2(87)(ii)
7	Associated Battery Manufactures (Ceylon) Ltd 481, T .B Jayah Mawatha Colombo 10	N.A.	Subsidiary	61.50%	Section 2(87)(ii)
8	Espex Batteries Ltd Fairway House, Link Business Park, Street Mellons, Cardiff, South Glamorgam CF3 0LT	N.A.	Subsidiary	100%	Section 2(87)(ii)

### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2014)				No. of Shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
(a) Individual / HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	390,954,666	-	390,954,666	45.99	390,954,666	-	390,954,666	45.99	-
(d) Banks/ FI	-	-	-	-	-	-	-	-	-
(e) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub - total (A) (2):-</b>	<b>390,954,666</b>	<b>-</b>	<b>390,954,666</b>	<b>45.99</b>	<b>390,954,666</b>	<b>-</b>	<b>390,954,666</b>	<b>45.99</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>390,954,666</b>	<b>-</b>	<b>390,954,666</b>	<b>45.99</b>	<b>390,954,666</b>	<b>-</b>	<b>390,954,666</b>	<b>45.99</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2014)				No. of Shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. PUBLIC SHAREHOLDING (S)</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	35,271,930	-	35,271,930	4.15	57,216,515	-	57,216,515	6.73	2.58
b) Banks/ FI	681,613	380,903	1,062,516	0.13	601,908	370,763	972,671	0.11	(0.01)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	109,660,128	-	109,660,128	12.90	77,493,807	-	77,493,807	9.12	(3.78)
g) FIs	146,628,393	6,760	146,635,153	17.25	148,980,912	6,760	148,987,672	17.53	0.28
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>292,242,064</b>	<b>387,663</b>	<b>292,629,727</b>	<b>34.43</b>	<b>284,293,142</b>	<b>377,523</b>	<b>284,670,665</b>	<b>33.49</b>	<b>(0.94)</b>
<b>(2) Non- Institutions</b>									
a) Bodies Corp.	71,871,473	164,844	72,036,317	8.47	83,097,975	164,844	83,262,819	9.80	1.32
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	58,897,583	16,665,363	75,562,946	8.89	55,605,070	15,713,614	71,318,684	8.39	(0.50)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	9,709,247	684,079	10,393,326	1.22	12,122,223	684,079	12,806,302	1.51	0.28
c) Others (specify)									
NRI	2,771,375	338,731	3,110,106	0.37	3,062,617	331,814	3,394,431	0.40	0.03
Clearing Member	3,772,555	-	3,772,555	0.44	1,204,479	-	1,204,479	0.14	(0.30)
OCB	-	-	-	-	-	-	-	-	-
Trust	1,426,697	-	1,426,697	0.17	2,279,174	-	2,279,174	0.27	0.10
Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
Foreign National	-	90,620	90,620	0.01	-	85,740	85,740	0.01	0.00
Custodian of enemy property	-	23,040	23,040	-	-	23,040	23,040	0.00	0.00
<b>Sub-total(B)(2):-</b>	<b>148,448,930</b>	<b>17,966,677</b>	<b>166,415,607</b>	<b>19.58</b>	<b>157,371,538</b>	<b>17,003,131</b>	<b>174,374,669</b>	<b>20.51</b>	<b>0.94</b>
Total Public Shareholding (B) = (B) (1)+ (B) (2)	440,690,994	18,354,340	459,045,334	54.01	441,664,680	17,380,654	459,045,334	54.01	0.00
<b>Total (A) + (B)</b>	<b>831,645,660</b>	<b>18,354,340</b>	<b>850,000,000</b>	<b>100.00</b>	<b>832,619,346</b>	<b>17,380,654</b>	<b>850,000,000</b>	<b>100.00</b>	<b>0.00</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>831,645,660</b>	<b>18,354,340</b>	<b>850,000,000</b>	<b>100.00</b>	<b>832,619,346</b>	<b>17,380,654</b>	<b>850,000,000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sl No.	Shareholding at the beginning of the year (As on April 1, 2014)				Shareholding at the end of the year (As on March 31, 2015)			
	Shareholder's Name	No of Shares	% of total shares of Company	% of shares pledged/ encumbered to total shares	Shareholder's Name	No of Shares	% of total shares of Company	% of shares pledged/ encumbered to total shares
1	Chloride Eastern Ltd.	390,954,666	45.99	NIL	Chloride Eastern Ltd.	390,954,666	45.99	NIL
	<b>Total</b>	<b>390,954,666</b>	<b>45.99</b>	<b>NIL</b>		<b>390,954,666</b>	<b>45.99</b>	<b>NIL</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change):**

Sl No.		Shareholding at the beginning of the year (As on April 1, 2014)		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	<b>Chloride Eastern Ltd.</b>				
	At the beginning of the year	390,954,666	45.99	390,954,666	45.99
	Datewise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	There was no increase / decrease in Promoter Shareholding during the year		-	-
	<b>At the End of the year (31.03.2015)</b>	390,954,666	45.99	390,954,666	45.99

**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl No.	Name of the top 10 Shareholder of the Company (As on March 31, 2015)	Date of event	Buy / Sale	Shareholding at the beginning of the year (April 1, 2014)		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
<b>1</b>	<b>Life Insurance Corporation of India</b>						
(a)	At the beginning of the year			62,495,230	7.35	62,495,230	7.35
(b)	Changes during the year	30-06-2014	Sale	1,380,751	0.16	61,114,479	7.19
		04-07-2014	Sale	2,175,753	0.26	58,938,726	6.93
		11-07-2014	Sale	840,581	0.09	58,098,145	6.84
		14-07-2014	Sale	510,315	0.06	57,587,830	6.78
		18-07-2014	Sale	92,600	0.01	57,495,230	6.77
		25-07-2014	Sale	1,810,706	0.22	55,684,524	6.55
		01-08-2014	Sale	1,923,009	0.23	53,761,515	6.32
		08-08-2014	Sale	2,675,750	0.31	51,085,765	6.01
		15-08-2014	Sale	975,843	0.11	50,109,922	5.90
		22-08-2014	Sale	1,114,692	0.13	48,995,230	5.77
		09-01-2015	Sale	1,305,610	0.16	47,689,620	5.61
		16-01-2015	Sale	1,096,574	0.13	46,593,046	5.48

Sl No.	Name of the top 10 Shareholder of the Company (As on March 31, 2015)	Date of event	Buy / Sale	Shareholding at the beginning of the year (April 1, 2014)		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
		23-01-2015	Sale	3,115,039	0.36	43,478,007	5.12
		30-01-2015	Sale	1,353,047	0.16	42,124,960	4.96
		27-03-2015	Sale	323,746	0.04	41,801,214	4.92
		31-03-2015	Sale	616,831	0.07	41,184,383	4.85
(c)	At the end of the year	31-03-2015	-	-	-	41,184,383	4.85
<b>2</b>	<b>Hathway Investments Ltd</b>						
(a)	At the beginning of the year	01-04-2014	-	36,752,730	4.32	36,752,730	4.32
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	36,752,730	4.32
<b>3</b>	<b>Nalanda India Equity Fund Limited</b>						
(a)	At the beginning of the year	01-04-2014	-	30,267,261	3.56	30,267,261	3.56
(b)	Changes during the year			No changes made during the year			
(c)	At the end of the year	31-03-2015	-	-	-	30,267,261	3.56
<b>4</b>	<b>The New India Assurance Company Limited</b>						
(a)	At the beginning of the year	01-04-2014	-	19,739,987	2.32	-	-
(b)	Changes during the year	30-05-2014	Sale	287,140	0.03	19,452,847	2.29
		06-06-2014	Sale	25,000	0.00	19,427,847	2.29
		13-06-2014	Sale	65,000	0.01	19,362,847	2.28
		20-06-2014	Sale	224,179	0.03	19,138,668	2.25
		30-06-2014	Sale	276,291	0.03	18,862,377	2.22
		04-07-2014	Sale	200,000	0.02	18,662,377	2.20
		11-07-2014	Sale	167,299	0.02	18,495,078	2.18
		18-07-2014	Sale	200,000	0.02	18,295,078	2.15
		25-07-2014	Sale	55,091	0.01	18,239,987	2.15
		22-08-2014	Sale	40,000	0.00	18,199,987	2.14
		29-08-2014	Sale	80,000	0.01	18,119,987	2.13
		05-09-2014	Sale	80,000	0.01	18,039,987	2.12
		12-09-2014	Sale	100,000	0.01	17,939,987	2.11
		19-09-2014	Sale	20,000	0.00	17,919,987	2.11
		10-10-2014	Sale	68,500	0.01	17,851,487	2.10
		17-10-2014	Sale	105,000	0.01	17,746,487	2.09
		24-10-2014	Sale	28,716	0.00	17,717,771	2.08
		16-01-2015	Sale	60,000	0.01	17,657,771	2.08
(c)	At the end of the year	31-03-2015	-	-	-	17,657,771	2.08
<b>5</b>	<b>Government Pension Fund Global *</b>						
(a)	At the beginning of the year	01-04-2014	-	0	0.00	-	0.00
(b)	Changes during the year	21-11-2014	Buy	16,346,878	1.92	16,346,878	1.92
(c)	At the end of the year	31-03-2015	-	-	-	16,346,878	1.92



Sl No.	Name of the top 10 Shareholder of the Company (As on March 31, 2015)	Date of event	Buy / Sale	Shareholding at the beginning of the year (April 1, 2014)		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
<b>6</b>	<b>Nalanda India Fund Limited</b>						
(a)	At the beginning of the year	01-04-2014	-	15,807,349	1.86	-	-
(b)	Changes during the year	No changes during the year					
(c)	At the end of the year	31-03-2015	-	-	-	15,807,349	1.86
<b>7</b>	<b>HDFC Standard Life Insurance Company Limited</b>						
(a)	At the beginning of the year	01-04-2014		21,908,535	2.58	21,908,535	2.58
(b)	Changes during the year	04-04-2014	Sale	975,000	0.12	20,933,535	2.46
		11-04-2014	Sale	500,000	0.06	20,433,535	2.40
		18-04-2014	Sale	500,000	0.06	19,933,535	2.35
		25-04-2014	Sale	1,251,416	0.15	18,682,119	2.20
		02-05-2014	Sale	136,228	0.02	18,545,891	2.18
		09-05-2014	Buy	10,090	0.00	18,555,981	2.18
		16-05-2014	Sale	10,298	0.00	18,545,683	2.18
		23-05-2014	Sale	65,903	0.01	18,479,780	2.17
		20-06-2014	Sale	750	0.00	18,479,030	2.17
		30-06-2014	Buy	2,042	0.00	18,481,072	2.17
		11-07-2014	Sale	930,418	0.11	17,550,654	2.06
		18-07-2014	Sale	100,000	0.01	17,450,654	2.05
		25-07-2014	Sale	50,000	0.01	17,400,654	2.05
		05-09-2014	Sale	1,392,809	0.16	16,007,845	1.88
		19-09-2014	Sale	30,000	0.00	15,977,845	1.88
		30-09-2014	Sale	85,241	0.01	15,892,604	1.87
		03-10-2014	Sale	473,000	0.06	15,419,604	1.81
		10-10-2014	Buy	263,000	0.03	15,682,604	1.85
		24-10-2014	Sale	594	0.00	15,682,010	1.84
		14-11-2014	Sale	37,630	0.00	15,644,380	1.84
		05-12-2014	Buy	163	0.00	15,644,543	1.84
		12-12-2014	Buy	33	0.00	15,644,576	1.84
		19-12-2014	Buy	30	0.00	15,644,606	1.84
		31-12-2014	Buy	22,605	0.00	15,667,211	1.84
		02-01-2015	Buy	7,297	0.00	15,674,508	1.84
		16-01-2015	Sale	355,963	0.04	15,318,545	1.80
		30-01-2015	Buy	7,061	0.00	15,325,606	1.80
		06-02-2015	Sale	128,355	0.02	15,197,251	1.79
		13-02-2015	Sale	991,211	0.12	14,206,040	1.67
		20-02-2015	Sale	282,723	0.03	13,923,317	1.64
		27-02-2015	Sale	479,071	0.06	13,444,246	1.58
		06-03-2015	Sale	1,078,724	0.13	12,365,522	1.45
		13-03-2015	Buy	94,251	0.01	12,459,773	1.47
		20-03-2015	Sale	302,000	0.04	12,157,773	1.43
		27-03-2015	Buy	651,178	0.08	12,808,951	1.51
		31-03-2015	Buy	161,472	0.02	12,970,423	1.53
(c)	At the end of the year	31-03-2015	-	-	-	12,970,423	1.53

Sl No.	Name of the top 10 Shareholder of the Company (As on March 31, 2015)	Date of event	Buy / Sale	Shareholding at the beginning of the year (April 1, 2014)		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
<b>8</b>	<b>ICICI Prudential Discovery Fund</b>						
(a)	At the beginning of the year	01-04-2014	-	8,994,782	1.06	-	-
(b)	Changes during the year	No changes during the year					
(c)	At the end of the year	31-03-2015	-	-	-	8,994,782	1.06
<b>9</b>	<b>Amansa Holdings Private Limited *</b>						
(a)	At the beginning of the year	01-04-2014	-	0	0.00	-	0.00
(b)	Changes during the year	23-01-2015	Buy	2,110,000	0.25	2,110,000	0.25
		30-01-2015	Buy	3,014,463	0.35	5,124,463	0.60
		06-02-2015	Buy	2,842,381	0.33	7,966,844	0.94
		13-02-2015	Sale	1,112,176	0.13	6,854,668	0.81
		27-02-2015	Sale	46,984	0.01	6,807,684	0.80
		06-03-2015	Buy	133,029	0.02	6,940,713	0.82
		13-03-2015	Buy	793,616	0.09	7,734,329	0.91
		27-03-2015	Buy	1,375,379	0.16	9,109,708	1.07
		31-03-2015	Buy	143,392	0.02	9,253,100	1.09
(c)	At the end of the year	31-03-2015	-	-	-	9,253,100	1.09
<b>10</b>	<b>General Insurance Corporation of India</b>						
(a)	At the beginning of the year	-	-	9,426,113	1.11	-	-
(b)	Changes during the year	02-05-2014	Sale	10,000	0.00	9,416,113	1.11
		13-06-2014	Sale	44,175	0.01	9,371,938	1.10
		20-06-2014	Sale	45,543	0.01	9,326,395	1.10
		04-07-2014	Sale	210,000	0.02	9,116,395	1.07
		11-07-2014	Sale	90,000	0.01	9,026,395	1.06
		18-07-2014	Sale	81,410	0.01	8,944,985	1.05
		25-07-2014	Sale	243,585	0.03	8,701,400	1.02
		30-09-2014	Sale	50,000	0.01	8,651,400	1.02
		03-10-2014	Sale	29,647	0.00	8,621,753	1.01
		10-10-2014	Sale	120,353	0.01	8,501,400	1.00
		02-01-2015	Sale	50,000	0.01	8,451,400	0.99
		09-01-2015	Sale	250,000	0.03	8,201,400	0.96
		27-03-2015	Sale	483,530	0.06	7,717,870	0.91
		31-03-2015	Sale	116,470	0.01	7,601,400	0.89
(c)	At the end of the year	31-03-2015	-	-	-	7,601,400	0.89



Sl No.	Name of the top 10 Shareholder of the Company (As on March 31, 2015)	Date of event	Buy / Sale	Shareholding at the beginning of the year (April 1, 2014)		Cumulative Shareholding during the year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
<b>11</b>	<b>MFS International New Discovery Fund</b>						
(a)	At the beginning of the year	-	-	8,502,893	1.00	-	-
(b)	Changes during the year						
		09-05-2014	Sale	1,388,287	0.16	7,114,606	0.84
		16-05-2014	Sale	3,215,013	0.38	3,899,593	0.46
		16-05-2014	Sale	3,899,593	0.46	-	0.00
(c)	At the end of the year	31-03-2015	-	-	-	-	0.00
<b>12</b>	<b>Government Pension Fund Global</b>						
(a)	At the beginning of the year	-	-	13,540,934	1.59	-	-
(b)	Changes during the year						
		11-04-2014	Buy	987,592	0.12	14,528,526	1.71
		18-04-2014	Buy	297,127	0.03	14,825,653	1.74
		25-04-2014	Sale	73,849	0.01	14,751,804	1.74
		02-05-2014	Sale	102,307	0.01	14,649,497	1.72
		09-05-2014	Buy	1,065,933	0.13	15,715,430	1.85
		16-05-2014	Sale	27,221	0.00	15,688,209	1.85
		30-05-2014	Buy	538,717	0.06	16,226,926	1.91
		18-07-2014	Buy	119,952	0.01	16,346,878	1.92
		14-11-2014	Sale	16,346,878	1.92	-	0.00
(c)	At the end of the year	31-03-2015	-	-	-	-	0.00

\* Not in the List of Top 10 shareholders as on 01/04/2014. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 31/03/2015.

#### (v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Name of Directors / K.M.Ps				
		P K Katakay	Subir Chakraborty	A K Mukherjee	Mona N Desai	Sudhir Chand
(a)	At the beginning of the year	8,070	106	1,000	78,666	18,872
(b)	Datewise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	Purchased 1000 shares on 16.05.2014				
(c)	At the End of the year	9,070	106	1,000	78,666	18,872

Note: None of the other Directors / Key Managerial Personnel hold any shares in the Company

**V. INDEBTEDNESS**

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

(Rs.)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (2014-15) at the end of FY 2014-15				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Change in Indebtedness during the financial year				
Addition				
i) Principal Amount	92,136,925	83,387,626	-	175,524,551
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13,082	3,244	-	16,326
<b>Total (i+ii+iii)</b>	<b>92,150,007</b>	<b>83,390,870</b>	<b>-</b>	<b>175,540,877</b>
Reduction	-	-	-	-
Net Change	92,150,007	83,390,870	-	175,540,877
Indebtedness at the end of the financial year				
i) Principal Amount	92,136,925	83,387,626	-	175,524,551
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13,082	3,244	-	16,326
<b>Total (i+ii+iii)</b>	<b>92,150,007</b>	<b>83,390,870</b>	<b>-</b>	<b>175,540,877</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl No.	Particulars of Remuneration	Name of MD / WTD/ Manager					Total Amount
		P K Katakya	G Chatterjee	A K Mukherjee	Nadeem Kazim	Subir Chakraborty	
1	Gross salary						
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	16,380,000	16,560,000	8,646,000	5,764,000	5,518,000	52,868,000
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961	1,886,996	1,178,386	1,307,425	1,018,538	575,674	5,967,019
(c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-





(Rs.)

Sl No.	Particulars of Remuneration	Name of MD / WTD/ Manager					Total Amount
		P K Katakya	G Chatterjee	A K Mukherjee	Nadeem Kazim	Subir Chakraborty	
3	Sweat Equity	-	-	-	-	-	-
4	Commission	8,515,000	8,187,500	4,323,000	2,882,000	2,489,000	26,396,500
	- as % of profit	-	-	-	-	-	-
	- others, specify...	-	-	-	-	-	-
5	Others ,please specify (Retiral Benefits)	4,144,251	3,984,856	2,104,004	1,402,669	1,211,396	12,847,176
	<b>Total (A)=(1+2+3+4+5)</b>	<b>30,926,247</b>	<b>29,910,742</b>	<b>16,380,429</b>	<b>11,067,207</b>	<b>9,794,070</b>	<b>98,078,695</b>
	Ceiling as per the Act	Rs. 798,281,857 (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.)					

**B. Remuneration to other directors:**

Sl No.	Particulars of Remuneration	Name of Director					Total Amount
		R G Kapadia	R B Raheja	Mona N Desai	Vijay Aggarwal	Sudhir Chand	
1	Independent Directors						
	Fee for attending board & committee meetings	330,000	-	330,000	280,000	385,000	1,325,000
	Commission	4,000,000	-	-	-	-	4,000,000
	Others, please specify	-	-	-	-	-	-
	<b>Total</b>	<b>4,330,000</b>		<b>330,000</b>	<b>280,000</b>	<b>385,000</b>	<b>5,325,000</b>
2	Other Non-Executive Directors						
	Fee for attending board & committee meetings	-	95,000	-	-	-	95,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total	-	95,000	-	-	-	95,000
	<b>Total (B) = (1+2)</b>	<b>4,330,000</b>	<b>95,000</b>	<b>330,000</b>	<b>280,000</b>	<b>385,000</b>	<b>5,420,000</b>
	<b>Total Managerial Remuneration (A+B)</b>						<b>103,498,695</b>
	Overall Ceiling as per the Act	Rs. 878,110,043 (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.)					

**C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD**

Sl No.	Particulars of Remuneration	S Coomer	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2,851,600	2,851,600
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	463,904	463,904
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NA	NA
2	Stock Option	NA	NA
3	Sweat Equity	NA	NA
4	Commission	NA	NA
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify (Retiral Benefits)	702,222	702,222
	<b>Total (C)=(1+2+3+4+5)</b>	<b>4,017,726</b>	<b>4,017,726</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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



## ANNEXURE - VII

### REMUNERATION POLICY

#### 1.0 INTRODUCTION

- 1.1 Remuneration at Exide Industries Limited (“the Company”) is based on the principles of performance, equitableness and competitiveness. This Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.
- 1.2 This Remuneration Policy is based on the requirements of Section 178 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement (effective from October 1, 2014) and approved by the Board of Directors of the Company at its meeting held on February 24, 2015.
- 1.3 This Remuneration Policy applies to the Board of Directors, Key Management Personnel (KMPs) and Senior Management Personnel of the Company.
- 1.4 This Remuneration Policy shall be effective from February 24, 2015.

#### 2.0 OBJECTIVES

- 2.1 The objectives of this Remuneration Policy are:
  - (a) Formulation of the criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors;
  - (b) Aligning the remuneration of Directors, KMPs and Senior Management Personnel with the Company’s financial position, remuneration paid by its industry peers etc.;
  - (c) Performance evaluation of the Board, its Committees and Directors including Independent Directors;
  - (d) Ensuring Board diversity;
  - (e) Identifying persons who are qualified to

become Directors and who may be appointed in senior management in accordance with the criteria laid down;

- (f) Directors’ induction and continued training.

#### 3.0 DEFINITIONS

- 3.1 **“Act”** means the Companies Act, 2013.
- 3.2 **“Board”** means Board of Directors of the Company.
- 3.3 **“Director”** means Director as defined under Section 2(34) of the Companies Act, 2013.
- 3.4 **“Committee”** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.
- 3.5 **“Company”** means Exide Industries Limited (EXIDE).
- 3.6 **“Independent Director”** means a director referred to in Section 149(6) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.
- 3.7 **“Key Managerial Personnel”**, means :
  - (i) the Chief Executive Officer or the Managing Director or the Manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-Time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013.



3.8 **“Senior Management”** means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

#### 4.0 GUIDING PRINCIPLES

4.1 The Company shall follow the following guiding principles in order to attract, motivate and retain talent in the Company:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, KMPs and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### 5.0 GENERAL

This Policy is divided in five parts:

Part-A covers criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors.

Part-B covers Induction and Training of Directors.

Part-C covers Performance Evaluation of Board, its Committees and Directors including Independent Directors.

Part-D covers Remuneration of Directors, KMPs and Senior Management Personnel.

Part-E covers Board Diversity.

#### 6.0 PART-A

##### Criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors

1. The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and recommend to the Board his/her appointment.
2. A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment as a Director. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position and are in accordance with the provisions of the Act and Clause 49 of the Listing Agreement.
3. The Committee shall ensure that a person proposed to be appointed as an Independent Director satisfies the criteria laid down under the Act read with Clause 49 of the Listing Agreement.
4. The appointment and tenure of Directors, Independent Directors and KMPs shall be in accordance with the provisions of the Act read with Clause 49 of the Listing Agreement.

#### 7.0 PART-B

##### Induction and Training of Directors

1. On appointment, Directors shall receive a Letter of Appointment setting out in detail, the terms of appointment, duties, roles and responsibilities. Each newly appointed Director will be taken through a formal induction programme.
2. The induction process should be designed to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company etc.



3. It shall be ensured that the Directors are updated as and when required of their roles, responsibilities and liabilities.
4. The Company may organise site visits for Directors from time to time.

## 8.0 PART-C

### Performance Evaluation of Board, its Committees and Directors

The evaluation of the performance of the Board, its Committees and Directors shall be carried out on an annual basis. The performance of the Board and Committees thereof shall be evaluated against their terms of reference. Evaluation of the performance of Directors shall include consideration of their skills, performance and contribution to the Board, Company strategy and Board Committees, their availability and attendance at Board and Committee Meetings.

## 9.0 PART-D

### Remuneration of Directors, KMPs and Senior Management Personnel

1. The remuneration of the Executive Directors, KMPs and Senior Management Personnel should be based on Company's financial position, industrial trends, remuneration paid by peer companies. The remuneration should be reasonable and sufficient to attract retain and motivate the aforesaid persons.
2. Remuneration to Executive Directors shall be paid by way of salary (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Committee and approval of the Board and Shareholders. The overall managerial remuneration shall be within the ceilings stipulated under Section 197 read with Schedule V of the Act.
3. The Non-executive directors shall be paid remuneration by way of sitting fee for attending the meetings of the Board and Committees thereof.
4. The KMPs shall be paid remuneration approved by the Board of Directors. The

Senior Management Personnel shall be paid remuneration in line with the Company's internal HR policy.

5. Increments in the existing remuneration of Executive Directors and KMPs shall be approved by the Committee within the limits prescribed under the Act. Increments in the remuneration of Senior Management Personnel shall be as per Company's HR policy.

## 10.0 PART-E

### Board Diversity

Board appointments will be based on merit and candidates will be considered on the basis of their skills, knowledge, experience and background, gender and other distinguishing qualities, having due regard to the effectiveness of the Board. It will be ensured that the Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors should have a mix of finance, legal, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, investment and other professions.

## 11.0 APPLICABILITY OF THE REMUNERATION POLICY

This Remuneration Policy shall apply to all future appointments of Directors, KMPs and Senior Management Personnel.

## 12.0 AMENDMENT

Any modification / amendment in this Remuneration Policy may be carried out by the Board on the recommendation of the Nomination and Remuneration Committee. This policy will be subject to change as per amendment in the Companies Act, 2013, the Listing Agreement, or any other applicable Rules, Regulations and Guidelines.

## 13.0 DISSEMINATION

The key features of this Remuneration Policy shall be published in the Annual Report and uploaded on the website of the Company in accordance with the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

## ANNEXURE - VIII

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3) (Q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Requirements of Rule 5(1)	Details
The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<b>Directors:</b> Mr P K Katakya : 33 x Mr Gautam Chatterjee : 33 x Mr A K Mukherjee : 17 x Mr Nadeem Kazim : 12 x Mr Subir Chakraborty : 11 x
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	<b>Directors:</b> Mr P K Katakya : 10% Mr Gautam Chatterjee : 10% Mr A K Mukherjee : 10% Mr Nadeem Kazim : 10% Mr Subir Chakraborty : 10% <b>Key Managerial Personnel:</b> Mr Supriya Coomer : 10%
The percentage increase in the median remuneration of employees in the financial year;	12%
The number of permanent employees on the rolls of company;	5,258 employees as on March 31, 2015
The explanation on the relationship between average increase in remuneration and company performance;	Factors considered while recommending increase in fixed compensation: <ul style="list-style-type: none"> <li>- Financial performance of the Company;</li> <li>- Industry Benchmarking and consideration towards cost of living adjustment / inflation;</li> <li>- Regulatory guidelines as applicable;</li> <li>- All forms of compensation (fixed and variable) to be consistent with risk alignment.</li> </ul> Average increase in remuneration of all employees was 10% for the year 2014-15 which is based above mentioned factors.
Comparison of the remuneration of the Key managerial Personnel against the performance of the company;	The increase in remuneration of Directors and Key Managerial Personnel are slightly below the increase in median employee's remuneration.



Requirements of Rule 5(1)	Details		
Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	<b>As on</b> March 31, 2014	<b>As on</b> March 31, 2015	<b>%</b> increase
	<b>Share Price:</b>		
	BSE:	120.95	177.70
	NSE:	121.15	177.75
	The Market capitalisation of the Company has increased from Rs. 10,280.75 Crores as of March 31, 2014 to Rs. 15,104.50 Crores as of March 31, 2015. Over the same period, the price to earning ratio moved from 21.11x to 27.68x.		
Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Salary increase of non-managerial employees is 8%		
	Average Salary increase of managerial employees is 11%		
	There are no exceptional circumstances in increase in managerial remuneration		
Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	The comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company is as under:		
	<b>Directors:</b>	<b>% of Net Profit For 2014-15</b>	
	Mr P K Katakya	: 0.30%	
	Mr Gautam Chatterjee	: 0.30%	
	Mr A K Mukherjee	: 0.16%	
	Mr Nadeem Kazim	: 0.11%	
	Mr Subir Chakraborty	: 0.10%	
	<b>Key Managerial Personnel:</b>		
	Mr Supriya Coomer	: 0.05%	
The key parameters for any variable component of remuneration availed by the directors;	The Directors and Key Managerial Personnel are entitled to variable component of remuneration by way of commission and performance incentive, based on certain performance criteria as laid down by the Nomination and Remuneration Committee of the Company. The individual's performance and overall Company's financial performance is also been considered while determining the said variable component.		
The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	No employee received remuneration higher that of Managing / Joint Managing Director during the year.		
Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2015 is as per the Remuneration Policy of the Company.		

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Exide Industries Limited

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Exide Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act.

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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.





2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule

11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 10 and note 38 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For S.R.Batliboi & Co. LLP**

Chartered Accountants  
Firm's Registration Number: 301003E

per **Kamal Agarwal**  
Partner  
Membership No. 058652

Place of Signature: Mumbai  
Date: April 30, 2015

**Annexure referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date**

**To the Members of Exide Industries Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory 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 and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of company's products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Service Tax	Determination of Assessable Value/ Denial of Exemption Notification/ Availment of Cenvat credit	5.28	1998-99 to 2013-14	Various Commissioner(Appeals)/ Deputy Commissioner
	-Do-	185.75	1996-97 to 2013-14	Various CESTAT
	-Do-	0.12	1993-94	Supreme Court
	MRP based Assessment	65.20	2006-07 to 2009-10	CESTAT, Kolkata
The Central Sales Tax Act, 1956	Demand relating to Non submission of C forms and other documents	32.52	1998-99 to 2014-15	Various Appellate Authorities
Various State Sales Tax Act	Demand relating to non submission of Local forms and other documents/ dispute related to VAT credit/dispute relating to classification of goods	31.73	1996-97 to 2014-15	Various Appellate Authorities
	Turnover Dispute	2.79	2005-06 to 2010-11	Various Appellate Authorities
The Income Tax Act, 1961	Disallowance of certain expenses	8.90	Assessment Year 2007-08 and 2008-09	Income Tax Appellate Tribunal
	-Do-	1.71	2010-11	CIT (Appeals)

Out of the total dues against various Excise demands, stay was granted to the Company by the appellate authorities for dues amounting to Rs. 245.65 Crores.

- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. There were no outstanding debentures during the year.

- (x) According to the information and explanations given to us, the Company has not given any guarantee

for loans taken by others from bank or financial institutions.

- (xi) The Company did not have any term loans outstanding during the year.
- (xii) We have been informed that two carrying and forwarding agents of the Company had misappropriated physical stock of batteries in its warehouse amounting to Rs. 1.52 Crores during the year under audit. The Company has terminated the services of the agents and has also filed legal cases against them. The cost of such inventory shortage has also provided for fully in the books.

**For S.R.Batliboi & Co. LLP**

Chartered Accountants

Firm's Registration Number: 301003E

per **Kamal Agarwal**

Partner

Membership No. 058652

Place of Signature: Mumbai

Date: April 30, 2015

# BALANCE SHEET

as at March 31, 2015

(Rs. In Crores)

Particulars	Note No.	March 31, 2015	March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Fund</b>			
a) Share Capital	2	85.00	85.00
b) Reserves and Surplus	3	3,969.58	3,646.46
		<b>4,054.58</b>	<b>3,731.46</b>
<b>2) Non-current Liabilities</b>			
a) Deferred Tax Liabilities (Net)	4	125.92	105.07
b) Other Long-term Liabilities	5	5.09	5.76
c) Long-term Provisions	6	27.92	20.38
		<b>158.93</b>	<b>131.21</b>
<b>3) Current Liabilities</b>			
a) Short-term Borrowings	7	17.55	-
b) Trade Payables	8	647.87	652.96
c) Other Current Liabilities	9	272.79	229.57
d) Short-term Provisions	10	250.90	211.42
		<b>1,189.11</b>	<b>1,093.95</b>
<b>Total</b>		<b>5,402.62</b>	<b>4,956.62</b>
<b>II. ASSETS</b>			
<b>1) Non-current Assets</b>			
a) Fixed Assets			
i) Tangible Assets	11	1,069.96	976.83
ii) Intangible assets	12	20.20	21.19
iii) Capital work-in-progress		100.17	50.98
b) Non-current investments	13	1,755.02	1,594.60
c) Long-term loans and advances	14	128.75	64.19
d) Other non-current assets	15	1.29	1.20
		<b>3,075.39</b>	<b>2,708.99</b>
<b>2) Current Assets</b>			
a) Current investments	16	140.65	372.41
b) Inventories	17	1,522.76	1,185.57
c) Trade receivables	18	555.03	516.64
d) Cash and bank balances	19	29.82	119.95
e) Short-term loans and advances	20	78.97	53.06
f) Other current assets	21	-	-
		<b>2,327.23</b>	<b>2,247.63</b>
<b>Total</b>		<b>5,402.62</b>	<b>4,956.62</b>
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

## S.R.Batliloi & Co. LLP

Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katakya**  
**A. K. Mukherjee**  
Directors



# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

Particulars	Note No.	(Rs. In Crores)	
		2014-15	2013-14
<b>INCOME:</b>			
<b>I) Revenue from operations (Gross)</b>	22	7,655.42	6,754.77
Less: Excise Duty		781.21	790.53
<b>Revenue from operations (Net)</b>		<b>6,874.21</b>	<b>5,964.24</b>
<b>II) Other income</b>	23	32.01	35.33
<b>III) Total Revenue</b>		<b>6,906.22</b>	<b>5,999.57</b>
<b>IV) EXPENSES:</b>			
Cost of raw materials and components consumed	24	4,799.58	4,017.66
Purchase of traded goods		35.67	3.29
Increase in inventories of finished goods, work-in - progress and traded goods	25	(282.43)	(102.88)
Employee benefits expenses	26	416.78	355.86
Finance costs	27	1.67	1.19
Depreciation and amortisation expenses	28	139.52	125.60
Other expenses	29	996.94	875.77
<b>Total expenses</b>		<b>6,107.73</b>	<b>5,276.49</b>
<b>V) Profit before tax</b>		<b>798.49</b>	<b>723.08</b>
<b>VI) Tax expenses:</b>			
1. Current tax (Includes provision for earlier years Rs. 1.68 Crores. (PY net of reversal of excess provision for earlier years Rs. 0.29 Crores))		230.77	228.58
2. Deferred tax		21.85	7.42
		<b>252.62</b>	<b>236.00</b>
<b>VII) Profit for the Year</b>		<b>545.87</b>	<b>487.08</b>
Earnings per share - Basic and Diluted (Nominal value Re 1 per share (PY Re 1 per Share))		6.42	5.73
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

## S.R.Batliboi & Co. LLP

Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katakya**  
**A. K. Mukherjee**  
Directors

# CASH FLOW STATEMENT

for the year ended March 31, 2015

	(Rs. In Crores)	
	2014-2015	2013-2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	798.49	723.08
Adjustment for :		
Depreciation and Amortisation	139.52	125.60
Profit on Fixed Assets sold	(0.21)	(0.18)
Loss on Fixed Assets sold / discarded	0.74	0.27
Dividend Income	(20.14)	(23.78)
Interest Expense	1.67	1.19
Interest Income	(2.35)	(0.83)
Operating profit before working capital changes	119.23	102.27
(Increase) in Trade Receivables (net of provision)	917.72	825.35
(Increase) in Inventories	(38.69)	(7.31)
(Increase) in Loans & Advances	(337.19)	(18.47)
Increase in Current Liabilities	(24.49)	(11.54)
Cash generated from operations	56.44	84.71
Direct Taxes Paid (net of refunds)	(343.93)	47.39
Net Cash from operating activities	573.79	872.74
	(247.54)	(225.79)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>	326.25	646.95
Purchase of Fixed Assets	(307.31)	(135.20)
Sale of Fixed Assets	0.57	0.57
Acquisition of Shares / units	(161.08)	(135.20)
Redemption of units	0.66	-
Purchase of Mutual Fund units	(802.43)	(1,341.00)
Sale of Mutual Fund units	1,032.43	1,151.00
Interest Received	0.48	0.78
Dividend received	21.90	24.78
Net Cash used in investing activities	(214.78)	(434.27)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Short term Borrowing	17.55	-
Dividends Paid (including tax)	(217.99)	(166.14)
Interest Paid	(1.16)	(1.38)
Net Cash used in financing activities	(201.60)	(167.52)
Net Increase in cash and cash equivalents	(90.13)	45.16
Cash and cash equivalents - Opening Balance #	119.95	74.79
Cash and cash equivalents - Closing Balance #	29.82 *	119.95

# as disclosed in Note 19

\* Includes Rs. 6.20 Crores (PY Rs.5.11 Crores) lying in Unclaimed Dividend Account, being the amount available for restricted use.

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

## S.R.Batliboi & Co. LLP

Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katakya**  
**A. K. Mukherjee**  
Directors



# ACCOUNTING POLICIES AND NOTES

## to Financial Statements as at and for the year ended March 31, 2015

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

#### Change in accounting policy

##### Depreciation on fixed assets

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

#### (a) Useful lives/ depreciation rates

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

Had the company continued its earlier policy of charging depreciation based on earlier useful lives / lives determined by Schedule XIV of the Companies Act, 1956 rates as the case may be, profits for the current year would have been higher by Rs. 2.20 Crores.

#### (b) Accounting for additional depreciation on account of revaluation of assets

The company had revalued all its land, buildings and plant & machinery existing as on March 31, 1991 and March 31, 1999. Till year ended March 31, 2014, the Guidance Note on Treatment of Reserve Created on Revaluation of Fixed Assets issued by the ICAI allowed companies to transfer an amount equivalent to the additional depreciation arising due to upward revaluation of fixed assets from revaluation reserve to the statement of profit and loss. Accordingly, the company was transferring an amount equivalent to additional depreciation arising due to upward revaluation of building and plant & machinery from revaluation reserve to the statement of profit and loss. In contrast, Schedule II to the Companies Act, 2013 applicable from the current year, states that depreciable amount of an asset is the cost of an asset or other amount substituted for cost. Hence, in case of revalued assets, depreciation computed on the revalued amount needs to be charged to the statement of profit and loss, without any recoupment from revaluation reserve. Consequently, to comply with the Schedule II requirement, the company has discontinued the practice of recouping the impact of additional depreciation from

# ACCOUNTING POLICIES AND NOTES

## to Financial Statements as at and for the year ended March 31, 2015

revaluation reserve. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 1, 2014.

Had the company continued its earlier policy of recouping the additional depreciation arising due to upward revaluation of fixed assets from revaluation of assets, profits for the current year would have been higher by Rs. 0.86 Crores. However, the change in accounting policy did not have any impact on reserves and surplus as at March 31, 2015.

### (c) Depreciation on assets costing less than Rs. 5,000/-

Till year ended March 31, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the company was charging 100% depreciation on assets costing less than Rs. 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciations of assets costing less than Rs. 5,000/-. As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 1, 2014.

The change in accounting for depreciation of assets costing less than Rs. 5,000/- did not have any material impact on financial statements of the company for the current year.

### b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and

disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### c. Revenue Recognition Sale of Goods

Revenue from sale of goods including manufactured products is recognised upon passage of title to the customers, in accordance with the Sale of Goods Act, 1930.

The Company collects Sales taxes and Value added Taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence they are excluded from Revenue.

Customs Duty benefits in the form of advance license entitlements are recognised on export of goods, and are set off from materials cost.

### Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

### Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

### d. Fixed Assets

Fixed Assets are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation and impairment losses, if any. Cost comprises of Purchase price inclusive of duties (net of Cenvat), taxes, incidental expenses, erection/commissioning expenses etc upto the date the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written up by the valuer, is considered in the accounts and the differential amount is transferred to revaluation reserve.





# ACCOUNTING POLICIES AND NOTES

## to Financial Statements as at and for the year ended March 31, 2015

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external / internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'Value in use'. The estimated future cash flows are discounted to their present value using pre tax discount rates and risks specific to the asset.

### e. Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as Long-Term investments. Current Investments are stated at lower of cost or fair value on individual investment basis. Long Term Investments are considered at cost, unless there is other than temporary decline in value thereof, in which case adequate provision is made for diminution in the value of Investments. Investments in foreign companies are carried at exchange rates prevailing on the date of their acquisition.

### f. Depreciation and Amortisation

i) a) Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets.

Particulars	Useful economic life (in years)
Factory building / Other building	28.5/58.5
RCC Road / Other than RCC Road	10/5
Plant and equipment	15
Electrical installations & equipment and lab equipment	10
Moulds	8.5
Furniture and fixtures	10
Office equipment	5
Vehicles	6
Computers	3 to 6 years

The management has estimated, based on the Company's internal evaluation, the

useful lives of the following classes of assets: Factory buildings, Other buildings and vehicles are depreciated over the estimated useful lives of 28.5 years, 58.5 years and 6 years, respectively, which are lower than those indicated in schedule II.

b) The Company has estimated the residual value of Plant & Machinery, moulds and computers to be 2% of the cost as against 5% specified in Schedule II of the Companies Act, 2013 based on past trends. For Building, Office equipment, Furniture & Fittings and Vehicles, residual value has been estimated at 5% of the cost.

ii) Depreciation includes amount amortised on a straight-line basis in respect of leasehold properties over the respective lease period.

iii) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/disposal.

iv) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### g. Intangible Assets

i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalised when its future recoverability can reasonably be regarded as assured. Any expenditure capitalised is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

ii) Acquired computer software and licenses are capitalised on the basis of costs incurred to bring the specific intangibles to its intended use. These cost are amortised on a straight-

# ACCOUNTING POLICIES AND NOTES

to Financial Statements as at and for the year ended March 31, 2015

line pro rata basis over their estimated useful life of five years.

- iii) Acquired Goodwill / Trademark is amortised on a straight-line pro rata basis over a period of five years. Goodwill is also tested for impairment every year, if there are any indicators for impairment.

## **h. Operating leases**

Assets acquired under Operating Leases represent assets where the lessor effectively retains substantially all the risks and benefits of their ownership. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

## **i. Foreign Currency Transactions**

### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### **(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

### **(iii) Exchange Differences**

Exchange differences arising on the settlement/ conversion of monetary items, are recognized as income or expenses in the year in which they arise.

### **(iv) Forward Exchange Contracts**

The premium or discount arising at the inception of forward exchange contracts is

amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or an expense for the year.

## **j. Inventories**

- i) Raw materials, components, stores and spares are valued at Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

- ii) Work-in-progress and finished goods are valued at Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

- iii) Traded goods are valued at Lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

## **k. Borrowing Costs**

Borrowing costs attributable to the acquisition and/ or construction of qualifying assets are capitalized as a part of the cost of such assets, upto the date when such assets are ready for their intended use. Other borrowing costs are charged to Statement of Profit and Loss.



# ACCOUNTING POLICIES AND NOTES

## to Financial Statements as at and for the year ended March 31, 2015

### **l. Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity are capitalised. Administration and other general overhead expenses which are specifically attributable to the construction activity incurred during the construction period are capitalised as part of the indirect construction cost. Other indirect expenditure (including borrowing costs) incurred during the construction period which are not related to the construction activity nor are incidental thereto, are charged to Statement of Profit and Loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its original standard of performance.

### **m. Excise Duty**

Excise Duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and branches as on the balance sheet date.

### **n. Retirement and other employee benefits**

- i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to Statement of Profit and Loss of the year when the employee renders the service. There are no obligations other than the contribution payable to the respective trusts.
- ii) Gratuity and Post Retirement Medical Benefit liability are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year.

- iv) Payments made under the Voluntary Retirement Scheme are charged to Statement of Profit and Loss.
- v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in note no. 31. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the employee renders the service. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.
- vi) Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.
- vii) The current and non current bifurcation is done as per Actuarial report.

### **o. Taxation**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably

# ACCOUNTING POLICIES AND NOTES

to Financial Statements as at and for the year ended March 31, 2015

certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonable certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**p. Earning per share**

Earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q. Provision**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard-29, are not discounted to its present value and are determined based on the management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Provision for product related warranty/ guarantee costs is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

**r. Segment reporting**

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard – 17, the Company is predominantly engaged in a single segment of Storage Batteries and allied products during the year. The analysis of geographical segments is based on the areas in which customers of the Company are located.

**s. Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**t. Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 2. SHARE CAPITAL

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>a) Authorised</b>		
1,000,000,000 (PY: 1,000,000,000) Equity Shares of Re 1 each	100.00	100.00
	<b>100.00</b>	<b>100.00</b>
<b>b) Issued, subscribed &amp; fully paid-up</b>		
850,000,000 (PY: 850,000,000) Equity Shares of Re. 1 each	85.00	85.00
	<b>85.00</b>	<b>85.00</b>
There is no change in the number of shares in current year and last year.		
<b>c) Terms / rights attached to equity shares</b>		
The company has only one class of Equity Shares having a Par Value of Re 1 per share. Each Holder of Equity Shares is entitled to one Vote per share. The company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the 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.		
During the year ended March 31, 2015, the amount of per share Dividend recognised as distributions to equity shareholders was Rs. 2.20 (PY Rs. 1.80 per share)		
<b>d) Details of shareholders holding more than 5% shares in Company</b>		
<b>Name of Shareholder</b>	<b>Number of Shares</b>	
Chloride Eastern Limited, UK holding 45.99 % (PY:45.99 %)	39,09,54,666	39,09,54,666
As per records of the company, including its register of shareholders / members and other declaration received from shareholders, the above shareholding represents legal ownership of shares.		

## 3. RESERVES AND SURPLUS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>a) Revaluation Reserve</b>		
Balance as per Last Account	23.72	24.72
Less: Adjusted towards assets sold / discarded	0.27	0.12
Less: Depreciation on Revalued assets transferred to General reserves	0.86	-
Less: Transfer to Depreciation Account	-	0.88
<b>Closing Balance</b>	<b>22.59</b>	<b>23.72</b>
<b>b) Securities Premium Account</b>		
Balance as per Last Account	737.88	737.88
<b>c) General Reserve</b>		
Balance as per Last Account	1,080.00	1,030.00
Less : adjustment for change in useful life, net of deferred taxes (refer note below) #	2.41	-
Add : Transfer on account of depreciation on revalued assets	0.86	-
Add: Amount transferred from Statement of Profit and Loss	20.00	50.00
<b>Closing Balance</b>	<b>1,098.45</b>	<b>1,080.00</b>

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 3. RESERVES AND SURPLUS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>d) Contingency Reserve *</b>		
Balance as per Last Account	25.00	25.00
<b>e) Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	1,779.86	1,520.99
Add :Profit for the year	545.87	487.08
Less: Appropriations		
Proposed final equity dividend (amount per share Re. 0.70 (PY Re. 0.70))	(59.50)	(59.50)
Tax on proposed equity dividend	(11.40)	(9.32)
Interim dividend (amount per share Rs. 1.50 (PY Rs. 1.10))	(127.50)	(93.50)
Tax on interim dividend	(21.67)	(15.89)
Transfer to General reserve	(20.00)	(50.00)
Total Appropriations	<b>(240.07)</b>	<b>(228.21)</b>
<b>Net Surplus in Statement of Profit and Loss</b>	<b>2,085.66</b>	<b>1,779.86</b>
	<b>3,969.58</b>	<b>3,646.46</b>

\* The Contingency reserve is created to set aside funds for meeting contingencies and claims.

# Effective from April 1, 2014, the Company has charged depreciation based on the revised remaining useful lives of the assets as per the requirement of Schedule II of the Companies Act, 2013. Further, as per the transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 2.41 Crores (net of deferred tax of Rs. 1.00 Crore) has been adjusted with General Reserve for the assets in respect of which the remaining useful life is NIL as on April 1, 2014.

## 4. DEFERRED TAX LIABILITY (NET)

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>a) Deferred tax liability:</b>		
Arising out of timing difference in depreciable assets	110.17	97.58
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	38.74	23.52
<b>b) Deferred tax assets:</b>		
On expenses allowable against taxable income in future years	12.25	7.61
Expenses disallowed in earlier assessments which are being contested	10.74	8.42
	<b>125.92</b>	<b>105.07</b>

## 5. OTHER LONG TERM LIABILITIES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
a) Trade payables	2.56	1.91
b) Other payables - for Capital Goods	1.74	1.79
c) - for Expenses	0.79	2.06
	<b>5.09</b>	<b>5.76</b>

Trade payables represents retention money withheld and which are payable after more than 12 months from the Balance Sheet date.



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 6. LONG TERM PROVISIONS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Provision for employee benefits (refer note 31)		
Post retirement medical benefits	4.11	3.46
Gratuity	2.82	0.12
Pension	2.03	1.35
Leave benefits	18.96	15.45
	<b>27.92</b>	<b>20.38</b>

## 7. SHORT TERM BORROWINGS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>SECURED</b>		
Buyers' Credit	9.21	-
(The buyers' credit is repayable in 6 months and carries interest @ LIBOR + 0.45 % and is secured by hypothecation of Stocks and book debts, both present and future)		
<b>UNSECURED</b>		
Buyers' Credit (repayable in 6 months)	8.34	-
	<b>17.55</b>	<b>-</b>

## 8. TRADE PAYABLES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
a) Trade payable for goods & services (refer note no 36)	589.02	593.22
b) Acceptances	58.85	59.74
	<b>647.87</b>	<b>652.96</b>

## 9. OTHER CURRENT LIABILITIES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
a) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	6.20	5.11
b) Other payables -		
For Capital Goods	43.09	17.13
Taxes and duties payable	31.70	43.42
Advances from customers	21.62	14.39
For Selling Expenses	111.42	108.86
For Other Expenses	58.76	40.66
	<b>272.79</b>	<b>229.57</b>

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 10. SHORT-TERM PROVISIONS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
a) Provision for employee benefits (refer note 31)		
Post retirement medical benefits	0.26	0.24
Leave benefits	1.47	1.47
b) Others		
Provision for Warranty Claims	152.05	121.94
Provision for litigations and tax disputes	26.22	18.95
Provision for proposed dividend	59.50	59.50
Provision for tax on proposed dividend	11.40	9.32
	<b>250.90</b>	<b>211.42</b>

### Provisions for warranties

A provision is recognised for expected warranty claims on batteries sold, based on past experience of the level of repairs and returns. Assumptions used to calculate the provision for warranty were based on sales and current information available about returns based on warranty period for all products sold. The table below gives information about movement in warranty provision :

#### Opening Balance

Add: Provision created during the year

Less: Product related warranties issued for the year

#### Closing Balance

121.94	117.04
187.85	174.51
157.74	169.61
<b>152.05</b>	<b>121.94</b>

### Provisions for litigations and tax disputes (refer notes below)

The management has estimated the provisions for pending litigation, claims and demands relating to indirect taxes based on its assessment of probability for these demands crystallising against the company in due course :

#### Opening Balance

Add: Provision created during the year

#### Closing Balance

18.95	13.69
7.27	5.26
<b>26.22</b>	<b>18.95</b>

- a) There are other tax disputes / litigations amounting to Rs. 3.82 Crores (PY Rs. 2.76 Crores) against which the Company has also deposited money under protest and made provision there - against. Such deposits and provisions have been netted off in the financials.
- b) There are also provisions against Income Tax claims amounting to Rs. 10.74 Crores (PY Rs. 8.42 Crores) which is included in Note 14 i (d), against which the Company has also created deferred tax assets as disclosed in Note 4.



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 11. TANGIBLE ASSETS

Cost	(Rs. In Crores)										Total
	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Office Equipment	Furniture & fittings	Vehicles	Computers		
As at April 1, 2013	26.51	32.03	273.76	1,361.14	146.17	7.55	7.24	2.24	21.73	1,878.37	
Additions	-	-	9.31	91.92	14.24	1.67	0.20	0.32	3.18	120.84	
Disposals / deductions	-	0.07	0.03	9.37	5.28	0.13	0.24	0.56	0.97	16.65	
<b>As at March 31, 2014</b>	<b>26.51</b>	<b>31.96</b>	<b>283.04</b>	<b>1,443.69</b>	<b>155.13</b>	<b>9.09</b>	<b>7.20</b>	<b>2.00</b>	<b>23.94</b>	<b>1,982.56</b>	
Additions	-	-	22.19	174.22	24.64	2.89	0.28	1.37	4.97	230.56	
Disposals / deductions/ adjustment	-	-	1.03	18.32	3.45	0.12	0.35	0.81	0.72	24.80	
<b>As at March 31, 2015</b>	<b>26.51</b>	<b>31.96</b>	<b>304.20 (b)</b>	<b>1,599.59</b>	<b>176.32</b>	<b>11.86</b>	<b>7.13</b>	<b>2.56</b>	<b>28.19</b>	<b>2,188.32</b>	
<b>Depreciation</b>											
As at April 1, 2013	-	3.26	72.29	715.98	81.38	4.00	5.90	1.54	16.45	900.80	
Charge for the year	-	0.45	8.16	96.30	12.68	0.37	0.46	0.24	2.15	120.81	
Disposals / deductions	-	0.01	0.02	8.93	5.16	0.10	0.19	0.52	0.95	15.88	
<b>As at March 31, 2014</b>	<b>-</b>	<b>3.70</b>	<b>80.43</b>	<b>803.35</b>	<b>88.90</b>	<b>4.27</b>	<b>6.17</b>	<b>1.26</b>	<b>17.65</b>	<b>1,005.73</b>	
Charge for the year	-	0.45	9.02	104.20	14.34	1.60	0.16	0.30	2.60	132.67	
Adjusted with General Reserves (Refer note 3)	-	-	-	2.25	-	0.96	0.12	-	0.08	3.41	
Disposals / deductions	-	-	0.32	17.96	3.37	0.12	0.33	0.66	0.69	23.45	
<b>As at March 31, 2015</b>	<b>-</b>	<b>4.15</b>	<b>89.13</b>	<b>891.84</b>	<b>99.87</b>	<b>6.71</b>	<b>6.12</b>	<b>0.90</b>	<b>19.64</b>	<b>1,118.36</b>	
<b>Net Block</b>											
<b>As at March 31, 2014</b>	<b>26.51</b>	<b>28.26</b>	<b>202.61</b>	<b>640.34</b>	<b>66.23</b>	<b>4.82</b>	<b>1.03</b>	<b>0.74</b>	<b>6.29</b>	<b>976.83</b>	
<b>As at March 31, 2015</b>	<b>26.51</b>	<b>27.81</b>	<b>215.07</b>	<b>707.75</b>	<b>76.45</b>	<b>5.15</b>	<b>1.01</b>	<b>1.66</b>	<b>8.55</b>	<b>1,069.96</b>	

a. Conveyance deeds for certain immovable properties valued at Rs. 3.77 Crores (PY Rs. 3.77 Crores) are pending execution.  
b. Includes Rs. 0.10 Crores (PY Rs. 0.10 Crores) being the cost of shares in Co-operative Housing Societies.  
c. Land, Buildings and Plant & Machinery of the Company as on March 31, 1991 and 1999 were revalued by the approved valuers and the surplus arising thereon, has been transferred to Revaluation Reserve.  
d. Details of Expenditure of New / Expansion Projects (Pending allocation and lying in Capital work in progress)

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Balance brought forward from previous year	-	-
Salaries, Wages & Bonus	0.44	-
Travelling expenses	0.44	-
	0.88	-
	0.28	-
<b>Less : Allocated to Fixed Assets during the year</b>	<b>0.60</b>	<b>-</b>

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 12. INTANGIBLE ASSETS

	(Rs. In Crores)			
	Goodwill	Trade Mark	Computer Software	Total
<b>Cost</b>				
As at April 1, 2013	12.13	1.57	8.17	21.87
Additions	-	-	10.02	10.02
As at March 31, 2014	<b>12.13</b>	<b>1.57</b>	<b>18.19</b>	<b>31.89</b>
Additions	-	2.63	3.23	5.86
<b>As at March 31, 2015</b>	<b>12.13</b>	<b>4.20</b>	<b>21.42</b>	<b>37.75</b>
<b>Amortisation</b>				
As at April 1, 2013	3.78	0.16	1.09	5.03
Charge for the year	2.23	0.31	3.13	5.67
As at March 31, 2014	<b>6.01</b>	<b>0.47</b>	<b>4.22</b>	<b>10.70</b>
Charge for the year	2.22	0.62	4.01	6.85
<b>As at March 31, 2015</b>	<b>8.23</b>	<b>1.09</b>	<b>8.23</b>	<b>17.55</b>
<b>Net Block</b>				
As at March 31, 2014	<b>6.12</b>	<b>1.10</b>	<b>13.97</b>	<b>21.19</b>
<b>As at March 31, 2015</b>	<b>3.90</b>	<b>3.11</b>	<b>13.19</b>	<b>20.20</b>

## 13. NON- CURRENT INVESTMENTS (valued at Cost unless stated otherwise)

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Trade (unquoted)</b>		
<b>Government Securities</b>		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
<b>Equity Shares, Fully Paid Up</b>		
<b>Shares In Subsidiary Companies</b>		
Chloride International Limited (450,000 shares of Rs. 10 each (PY 450,000 Shares))	0.20	0.20
Chloride Power Systems & Solutions Limited (1,980,000 shares of Rs. 10 each (PY 1,980,000 Shares))	2.93	2.93
Chloride Metals Limited (1,50,00,000 shares of Rs. 10 each (PY 1,50,00,000 shares))	34.65	34.65
Chloride Alloys India Limited (2,50,00,000 shares of Rs. 10 each (PY 2,50,00,000 shares))	74.37	74.37
Chloride Batteries S.E.Asia Pte Limited (7,000,000 shares of Singapore \$ 1 each (PY 7,000,000 shares))	10.35	10.35
Espex Batteries Limited (102,000 shares of GBP 1 each (PY 102,000 shares))	0.78	0.78
Associated Battery Manufacturers (Ceylon) Ltd (3,896,640 shares of Sri Lankan Rs. 10 each (PY 3,896,640 shares))	7.31	7.31
<b>Non Trade (unquoted)</b>		
<b>Equity Shares, Fully Paid Up</b>		
IN SUBSIDIARY COMPANY		
Exide Life Insurance Company Limited (1,75,00,00,000 shares of Rs. 10 each (PY 1,60,00,00,000 shares))	1,579.60	1,429.59



# NOTES

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## 13. NON- CURRENT INVESTMENTS (valued at Cost unless stated otherwise)

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Debentures, Fully Paid Up</b>		
Woodlands Hospital and Medical Research Centre Ltd		
1/2% Debentures (20 debentures of Rs. 100 each (PY 20 debentures))	^	-
5% Non-redeemable Registered Debentures (1 debenture of Rs. 6000 each (PY 1 debenture))	^	-
<b>Others</b>		
Faering Capital India Evolving Fund (1,80,716 units of Rs. 1000 each (PY 76,901 units))	18.07	7.69
Haldia Integrated Development Agency Ltd (500,000 units of Rs. 10 each (PY 500,000 units))	0.50	0.50
Suryadev Alloys (2,500 shares of Rs. 10 each (PY nil))	0.03	-
<b>Non Trade (Quoted)</b>		
<b>Equity Shares, Fully Paid Up</b>		
Hathway Cable and Datacom Limited (5,462,830 shares of Rs. 2 each (PY 1,092,566 shares of Rs. 10 each))	26.22	26.22
	1,755.02	1,594.60
(i) Aggregate value of unquoted investments -	1,728.80	1,568.38
(ii) Aggregate value of quoted investments (Market value Rs. 26.80 Cr (PY Rs. 27.80 Cr))	26.22	26.22
(iii) Diminution, based on the net worth as per the latest audited accounts of the relevant company, in the value of certain long term unquoted investments as on the Balance Sheet date, being temporary in nature, has not been provided for.		
^ Figures being less than Rs. 50,000 in each case, has not been disclosed.		

## 14. LONG-TERM LOANS AND ADVANCES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>(i) Unsecured considered good</b>		
a) Capital advances	61.70	14.04
b) Deposits - Others	9.60	9.03
c) Prepaid expenses	6.21	8.18
d) Advance Payment of Income Tax (net of Provisions)	51.07	32.74
e) Loans and advances to others	0.01	0.01
f) Loans to employees	0.16	0.19
<b>(ii) Unsecured considered doubtful</b>		
a) Advances recoverable in cash or kind	2.41	2.65
b) Balances with Customs, Sales Tax & Excise Authorities	2.13	1.07
c) Deposits - Others	-	0.10
	133.29	68.01
Less :- Provision for doubtful deposits and advances	4.54	3.82
	<b>128.75</b>	<b>64.19</b>

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 15. OTHER NON-CURRENT ASSETS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Unsecured, Considered good unless stated otherwise</b>		
a) Trade Receivables	1.29	1.20
	<b>1.29</b>	<b>1.20</b>

Represents portion of Trade Receivables which are recoverable after more than 12 months from the Balance Sheet date.

## 16. CURRENT INVESTMENTS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Non Trade (Unquoted) (at lower of cost and fair value)</b>		
<b>Units of Mutual Fund</b>		
ING Treasury Advantage Fund -Institutional Daily Dividend Reinvestment Nil units (PY 1,70,94,189 units of Rs. 10)	-	17.12
ING Liquid Fund -Super Institutional -Daily Dividend Reinvestment Nil units (PY 4,72,59,074 units of Rs. 10)	-	47.34
Kotak Banking & PSU Debt Fund - Daily Dividend Reinvestment 50,15,316 units of Rs. 10 (PY 1,00,31,925 units of Rs. 10)	5.03	10.07
Templeton India Ultra Short Bond Fund Super Institutional -Daily Dividend Reinvestment 1,49,59,419 units of Rs. 10 (PY 3,50,70,704 units of Rs. 10)	15.08	35.23
DSP Black Rock Liquidity Fund -Institutional Plan -Daily Dividend Reinvestment Nil units (PY 2,01,102 units of Rs. 1000)	-	20.12
DSP Black Rock Ultra Short term Fund - Regular Plan - Daily Dividend Reinvestment 1,20,23,341 units of Rs. 10 (PY Nil units)	12.07	-
IDFC Ultra Short Term Fund -Daily Dividend Reinvestment - Regular Plan 1,00,21,221 units of Rs. 10 (PY 1,00,51,422 units of Rs. 10)	10.04	10.07
Birla Sunlife Savings Fund -Daily Dividend Reinvestment 6,20,586 units of Rs. 100 (PY 10,03,882 units of Rs. 100)	6.22	10.08
Birla Sunlife Cash Plus Fund -Institutional Plan -Daily Dividend Reinvestment 168386 units of Rs. 100 (PY NIL units)	1.82	-
Birla Sunlife Cash Plus Fund -Regular Plan Daily Dividend Reinvestment 80 units of Rs. 100 (PY NIL units)	-	-
HDFC Floating Rate Income Fund -Short Term Plan Wholesale Option -Daily Dividend Reinvestment 14948568 units of Rs. 10 (PY 1,99,80,328 units of Rs. 10)	15.07	20.14
SBI Ultra Short Term Fund -Regular Plan -Daily Dividend Reinvestment 100018 units of Rs. 1000 (PY 2,00,779 units of Rs. 1000)	10.05	20.14
IDBI Ultra Short Term Fund -Regular Plan Daily Dividend Reinvestment 49938 units of Rs. 1000 (PY 2,49,758 units of Rs. 1000)	5.03	25.13
DWS Ultra Short Term Fund -Institutional -Daily Dividend Reinvestment NIL units of Rs. 10 (PY 5,022,999 units of Rs. 10 units)	-	5.03
TATA Floater Fund Plan A Daily Dividend Reinvestment 50123 units of Rs. 1000 (PY 100,371 units of Rs. 1000 units)	5.03	10.07



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 16. CURRENT INVESTMENTS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
India Bulls Ultra Short Term Fund - Existing Plan Daily Dividend Reinvestment 150370 units of Rs. 1000 (PY 4,00,349 units of Rs. 1000 units)	15.07	40.12
Baroda Pioneer Treasury Advantage Fund - Daily Dividend Reinvestment NIL units of Rs. 1000 (PY 98,295 units of Rs. 1000 units)	-	10.08
Sundaram Ultra Short Term Fund -Regular Plan- Daily Dividend Reinvestment 5011047 units of Rs. 10 (PY 1,00,36,623 units of Rs. 10 units)	5.03	10.07
L&T Ultra Short Term Fund - Daily Dividend Reinvestment Plan 4947291 units of Rs. 10 (PY 99,13,290 units of Rs. 10 units)	5.03	10.08
ICICI Prudential Flexible Income Fund - Regular Plan -Daily Dividend Reinvestment 4756643 units of Rs. 100 (PY 9,53,099 units of Rs. 100 units)	5.03	10.08
UTI Treasury Advantage Fund -Institutional Plan- Daily Dividend Reinvestment 49884 units of Rs. 1000 (PY 1,00,429 units of Rs. 1000 units)	5.00	10.07
Reliance Money Manager Fund - Daily Dividend Reinvestment LPID 100155 units of Rs. 1000 (PY 1,50,699 units of Rs. 1000 units)	10.05	15.11
Religare Invesco Ultra Short Term Fund - Daily Dividend Reinvestment NIL units of Rs. 1000 (PY 1,00,541 units of Rs. 1000 units)	-	10.08
HSBC Floating Rate Fund - Long Term -Daily Dividend Reinvestment NIL units of Rs. 10 (PY 1,10,40,694 units of Rs. 10 units)	-	11.07
JM Money Manager Fund -Super Plus Plan - Daily Dividend Reinvestment NIL units of Rs. 10 (PY 50,26,900 units of Rs. 10 units)	-	5.04
Pramerica Ultra Short Term Bond Fund - Daily Dividend Reinvestment 49751 units of Rs. 1000 (PY 50,236 units of Rs. 1000 units)	5.00	5.04
Escorts Liquid Fund -Direct Plan - Daily Dividend Reinvestment NIL units of Rs. 10 (PY 36,47,280 units of Rs. 10 units)	-	5.03
DSP Black Rock India Enhanced Equity Fund -Class B -3, 500000 units at Rs. 100 (PY NIL)	5.00	-
	<b>140.65</b>	<b>372.41</b>
Aggregate value of unquoted investments	140.65	372.41

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 17. INVENTORIES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>(At Lower of cost and net realisable value)</b>		
a) Stores, spare parts, loose tools etc	25.30	22.21
b) Raw materials and components [Including in transit/ lying in bonded warehouse Rs. 58.12 Crores (PY Rs. 62.67 Crores)]	412.13	360.46
c) Work-in-progress	460.32	347.55
d) Finished goods	510.46	394.54
Add Excise Duty	98.80	59.79
e) Trading Goods	15.75	1.02
	<b>1,522.76</b>	<b>1,185.57</b>

## 18. TRADE RECEIVABLES (UNSECURED)

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
a) Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	15.05	16.49
Doubtful	2.87	2.37
	17.92	18.86
Less: Provision for doubtful debts	2.87	2.37
	<b>15.05</b>	<b>16.49</b>
b) Others		
Considered good	539.98	500.15
	539.98	500.15
<b>Total</b>	<b>555.03</b>	<b>516.64</b>

(Refer Note no 33 for Related Party disclosure)

## 19. CASH AND BANK BALANCE

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Cash and Cash Equivalents</b>		
a) Balances with banks on		
Current / Cash Credit Account	23.37	114.54
b) Cash in hand	0.25	0.30
c) Unpaid Dividend Account	6.20	5.11
	<b>29.82</b>	<b>119.95</b>



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 20. SHORT-TERM LOANS AND ADVANCES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Unsecured, Considered good</b>		
a) Advances recoverable in cash or kind	34.88	25.77
b) Prepaid expenses	6.95	6.19
c) Balances with Customs, Sales Tax & Excise Authorities	28.36	13.75
d) Deposits - Others	8.56	7.11
e) Loans to employees	0.22	0.24
	<b>78.97</b>	<b>53.06</b>

## 21. OTHER CURRENT ASSETS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Unsecured, Considered good unless stated otherwise</b>		
a) Interest accrued on deposits and others	- ^	-
	-	-

^ Figures being less than Rs. 50,000, has not been disclosed.

## 22. REVENUE FROM OPERATIONS

	(Rs. In Crores)	
	2014-15	2013-14
<b>Sale of products</b>		
Finished Goods	7,632.32	6,749.62
Traded Goods	23.10	5.15
	7,655.42	6,754.77
Less: Excise duty	781.21	790.53
	<b>6,874.21</b>	<b>5,964.24</b>

(i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax etc.

(ii) Excise duty includes Rs. 35.37 Crores (PY Rs. 42.17 Crores) paid on batteries issued towards warranty claims.

### Details of products sold

#### Finished goods

Storage batteries	7,506.06	6,642.42
Home UPS Systems	126.26	107.20
	<b>7,632.32</b>	<b>6,749.62</b>

#### Traded goods

Storage batteries	22.88	3.53
Home UPS Systems	0.22	1.62
	<b>23.10</b>	<b>5.15</b>

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 23. OTHER INCOME

	(Rs. In Crores)	
	2014-15	2013-14
<b>Interest Income on</b>		
Others	2.35	0.83
Dividend Income on		
Long Term Trade Investments in subsidiaries	4.76	4.65
Current Non Trade investments	15.38	19.13
Gain on sale of fixed assets	0.21	0.18
Net foreign exchange Gain	-	4.26
Bad debts recovered	-	0.04
Income from Service / Installation	3.49	2.30
Other non-operating income	5.82	3.94
	<b>32.01</b>	<b>35.33</b>

## 24. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	(Rs. In Crores)	
	2014-15	2013-14
<b>Opening Stock</b>	360.46	443.03
Add: Purchases (including Processing charges, Procurement expenses etc, and after adjusting Cenvat Credits)	4,851.25	3,935.09
	<b>5,211.71</b>	<b>4,378.12</b>
Less: Closing Stock	412.13	360.46
	<b>4,799.58</b>	<b>4,017.66</b>
<b>Details of raw materials and components consumed</b>		
Lead and Lead alloys	3,646.07	3,191.45
Others	1,153.51	826.21
	<b>4,799.58</b>	<b>4,017.66</b>

Materials consumed includes warranty costs Rs. 156.65 Crores (PY Rs. 132.34 Crores) and is net off export incentives Rs. 7.85 Crores (PY Rs. 4.77 Crores).

## 25. INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN - PROGRESS AND TRADED GOODS

	(Rs. In Crores)	
	2014-15	2013-14
<b>Opening Stock</b>		
Work-in-progress	347.55	286.80
Finished goods	394.54	349.72
Traded Goods	1.02	3.64
	<b>743.11</b>	<b>640.16</b>
<b>Closing Stock</b>		
Work-in-progress	460.32	347.55
Finished goods	510.46	394.54
Traded Goods	15.75	1.02
	<b>986.53</b>	<b>743.11</b>
(Increase) / Decrease in Excise Duty on Finished Goods	(39.01)	0.07
	<b>(282.43)</b>	<b>(102.88)</b>





# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 25. INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

	(Rs. In Crores)	
	2014-15	2013-14
<b>Details of purchase of Traded Goods</b>		
Storage batteries	35.58	2.07
Home UPS Systems	0.09	1.22
	<b>35.67</b>	<b>3.29</b>
<b>Details of inventory - work in progress</b>		
Storage batteries	454.09	343.44
Home UPS Systems	6.23	4.11
	<b>460.32</b>	<b>347.55</b>
<b>Details of inventory - Finished Goods</b>		
Storage batteries	488.95	373.02
Home UPS Systems	21.51	21.52
	<b>510.46</b>	<b>394.54</b>
<b>Details of inventory - Traded Goods</b>		
Storage batteries	15.50	0.61
Home UPS Systems	0.25	0.41
	<b>15.75</b>	<b>1.02</b>

## 26. EMPLOYEE BENEFIT EXPENSES

	(Rs. In Crores)	
	2014-15	2013-14
Salaries and wages	336.64	290.75
Contribution to provident and other funds (Refer Note 31)	28.58	18.51
Staff welfare expenses	51.56	46.60
	<b>416.78</b>	<b>355.86</b>

## 27. FINANCE COSTS

	(Rs. In Crores)	
	2014-15	2013-14
Interest expenses	1.67	1.19
	<b>1.67</b>	<b>1.19</b>

## 28. DEPRECIATION AND AMORTISATION

	(Rs. In Crores)	
	2014-15	2013-14
Depreciation of tangible assets	132.67	120.81
Amortisation of intangible assets	6.85	5.67
Less: Transfer from revaluation reserve	-	(0.88)
	<b>139.52</b>	<b>125.60</b>

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 29. OTHER EXPENSES

	(Rs. In Crores)	
	2014-15	2013-14
Stores and spare parts consumed	61.37	53.93
Power and fuel	224.07	208.07
Battery Charging / Battery assembly expenses	126.24	91.30
Repairs and maintenance		
Buildings	10.96	7.26
Plant & machinery	22.56	23.39
Others	8.11	7.70
Rent & Hire Charges	23.09	19.54
Rates and taxes	2.43	2.55
Insurance	2.07	2.08
Commission	4.46	2.79
Royalty and Technical Aid Fees	26.41	25.81
Publicity and Sales Promotion	58.71	82.64
Freight & Forwarding (net)	213.34	165.44
Cash Discounts	63.51	55.33
After Sales Services	44.43	40.23
C & F Expenses	26.14	23.05
Travelling & Conveyance	27.14	22.41
Bank Charges	1.16	1.21
Communication Costs	6.23	5.25
Donations	0.21	0.01
Directors' Sitting Fees	0.09	0.03
Loss on Fixed assets sold/discarded	0.74	0.27
Auditors' Remuneration:		
As Auditors		
- For Statutory audit	0.40	0.40
- For Limited Reviews	0.27	0.27
- For Others	0.05	0.05
As Tax Auditors	0.07	0.07
Other Services	0.01	0.02
Out of pocket expenses	0.02	0.02
Net foreign exchange Loss	0.44	-
Miscellaneous expenses (refer Note 30)	42.21	34.65
	<b>996.94</b>	<b>875.77</b>

- i) The Company has a full-fledged Research and Development Center and it has thereby been able to considerably further its efficiency. During the year, a sum of Rs. 15.13 Crores (PY Rs. 12.72 Crores), including capital expenditure Rs. 2.62 Crores (PY Rs. 3.05 Crores), was spent on Research and Development work.
- ii) Stores and Spares consumed is exclusive of Rs. 0.27 Crores (PY Rs. 0.33 Crores) being the amounts allocated to other heads of expenses.
- iii) Rent and Hire charges include Rs. 20.60 Crores (PY Rs. 17.74 Crores) towards lease of residential apartments, Office premises and Godowns. These are cancellable leases, renewable by mutual agreement. The lease term is for various number of years and renewable for further periods as per the lease agreements at the option of the company. In lease agreements, escalation clauses are present ; however there are no restrictions imposed by the lease arrangements. There are no sub-leases.



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 30. MISCELLANEOUS EXPENSES

	(Rs. In Crores)	
	2014-15	2013-14
Motor Vehicle Running Expenses	4.62	4.45
Consultancy & Services outsourced	11.86	7.90
Security Service Charges	7.95	7.37
General Expenses	0.71	0.67
Legal Expenses	3.03	3.52
Printing & Stationery	5.29	5.31
TQM Expenses	0.42	0.23
CSR Expenses	3.58	1.02
Pollution Control Expenses	3.14	2.34
Testing Charges	0.61	0.75
Liquidated Damages	-	0.47
Battery Erection / Installation Costs	1.00	0.62
	<b>42.21</b>	<b>34.65</b>

## 31. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Company provides certain post-retirement medical benefits (PRMB) to the employees qualifying for such benefits under the scheme upto March 31, 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.

The Company has a Pension plan, a part of the liability whereof upto March 31, 2003, for employees as on that date is in the nature of a defined benefit plan. From April 1, 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance company.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 31 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

(Rs. In Crores)

	For the year ended			For the year ended		
	March 31, 2015			March 31, 2014		
	Gratuity	Pension	PRMB	Gratuity	Pension	PRMB
	Plan (Benefit)			Plan (Benefit)		
<b>I Expenses recognised in the statement of Profit &amp; Loss</b>						
1 Current / Past Service Cost	3.97	-	0.08	3.73	-	0.06
2 Interest Cost	4.76	0.49	0.32	4.37	0.54	0.29
3 Expected Return on plan assets	5.22	0.34	-	4.80	0.43	-
4 Actuarial (Gains) / Losses	6.50	(0.04)	0.45	(0.92)	(0.74)	(0.09)
5 Total Expense	10.01	0.11	0.85	2.38	(0.63)	0.26
<b>II Net Asset / (Liability) recognised in the Balance Sheet</b>						
1 Present Value of Defined Benefit Obligation	66.29	5.77	4.37	56.74	5.82	3.70
2 Fair Value of Plan Assets	63.47	3.74	-	56.62	4.47	-
3 Net Asset / (Liability)	(2.82)	(2.03)	(4.37)	(0.12)	(1.35)	(3.70)
<b>III Change in Obligation during the year</b>						
1 Present Value of Defined Benefit Obligation at the beginning of the year	56.74	5.82	3.70	56.78	7.26	3.61
2 Current Service Cost / Plan amendments	3.97	-	0.08	3.73	-	0.06
3 Interest Cost	4.76	0.49	0.32	4.37	0.54	0.29
4 Benefits Paid	4.63	0.41	0.18	7.50	1.36	0.17
5 Actuarial (Gains) / Losses	5.45	(0.13)	0.45	(0.64)	(0.62)	(0.09)
6 Present Value of Defined Benefit Obligation at the end of the year	66.29	5.77	4.37	56.74	5.82	3.70
<b>IV Change in the Fair Value of Plan Assets during the year</b>						
1 Plan assets at the beginning of the year	56.62	4.47	-	55.14	6.13	-
2 Expected return on plan assets	5.21	0.34	-	4.80	0.44	-
3 Contribution by employer	7.32	(0.57)	0.18	3.90	(0.85)	0.16
4 Actual Benefits Paid	4.63	0.41	0.18	7.50	1.36	0.16
5 Actuarial Gains / (Losses)	(1.05)	(0.09)	-	0.28	0.11	-
6 Plan assets at the end of the year	63.47	3.74	-	56.62	4.47	-
7 Actual return on Plan Assets	4.16	0.25	-	5.08	0.55	-
<b>V In 2015-16 the Company expects to contribute Rs. 5.00 Crores (Rs. 4.00 Crores) to gratuity and Rs. 3.50 Crores (Rs. 2.00 Crores) to Pension</b>						
<b>VI The major categories of plan assets as a percentage of the fair value of total plan assets</b>						
Investments with insurer	100%	100%	-	100%	100%	-
<b>VII Actuarial Assumptions</b>						
1 Discount Rate	8.00 % p.a (8.75 %)					
2 Expected rate of return on plan assets	9.00 % p a (9.00%)					
3 Mortality pre retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult.					
4 Mortality post retirement	LIC (1996-98) Ultimate					
5 Employee Turnover Rate	2.00%		(2.00 %)			
<b>VIII Healthcare cost trend rates have no effect on the amounts recognised in the statement of profit and loss, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change</b>						



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 31 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

- IX** The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market
- X** Contribution to Provident and Other Funds includes Rs. 18.82 Crores (Rs. 16.85 Crores) paid towards Defined Contribution Plans

<b>XI</b> Amounts for the current and previous four periods are as follows :	<b>Year ended March 2015</b>	<b>Year ended March 2014</b>	<b>Year ended March 2013</b>	<b>Year ended March 2012</b>	<b>Year ended March 2011</b>
<b>1 Gratuity</b>					
Defined Benefit Obligation	66.29	56.74	56.78	48.72	47.30
Plan Assets	63.47	56.62	55.14	49.68	44.91
Surplus / (deficit)	(2.82)	(0.12)	(1.64)	0.96	(2.39)
Experience Gain / (loss) adjustments on plan liabilities	(2.10)	(1.34)	(3.07)	(0.57)	(2.87)
Experience Gain / (loss) adjustments on plan assets	(1.05)	0.28	(0.11)	0.09	0.30
<b>2 Pension</b>					
Defined Benefit Obligation	5.77	5.82	7.26	7.25	7.17
Plan Assets	3.74	4.47	6.13	8.65	9.51
Surplus / (deficit)	(2.03)	(1.35)	(1.13)	1.40	2.34
Experience Gain / (loss) adjustments on plan liabilities	0.26	0.54	0.49	0.19	0.61
Experience Gain / (loss) adjustments on plan assets	(0.09)	0.12	0.01	0.07	0.09
<b>3 Post Retirement Medical Benefit</b>					
Defined Benefit Obligation	4.37	3.70	3.61	3.51	3.59
Experience Gain / (loss) adjustments on plan liabilities	(0.20)	(0.06)	0.21	0.16	(0.55)

## 32. SEGMENT REPORTING

As the Company's business activity falls within a single primary business segment, viz "Storage Batteries and allied products", no separate segment information is disclosed. Secondary information is reported geographically.

### Geographical Segments

The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas operations as under:

	(Rs. In Crores)		
	Year ended March 31, 2015		
	India	Overseas	Total
Revenue (Gross Sale)	7,254.22	401.20	7,655.42
Carrying Amount :			
Segment Assets	3,401.26	54.62	3,455.88
Capital Expenditure :			
Tangible assets	327.41	-	327.41
Intangible assets	5.86	-	5.86

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 32. SEGMENT REPORTING

Particulars	(Rs. In Crores)		
	Year ended March 31, 2014		
	India	Overseas	Total
Revenue (Gross Sale)	6,454.72	300.05	6,754.77
Carrying Amount :			
Segment Assets	2,913.22	43.65	2,956.87
Capital Expenditure :			
Tangible assets	121.75	-	121.75
Intangible assets	10.02	-	10.02

## 33. RELATED PARTY DISCLOSURE:

### i) Particulars of related parties :

- |   |  |
|---|--|
| 1. Subsidiaries   | Chloride Batteries S.E. Asia Pte. Limited, Singapore. (CBSEA)<br>Chloride International Limited (CIL)<br>Chloride Power Systems & Solutions Limited (CPSLL)<br>Espex Batteries Limited, UK (ESPEX)<br>Associated Battery Manufacturers (Ceylon) Ltd, Sri Lanka (ABML)<br>Chloride Metals Limited (CML)<br>Chloride Alloys India Limited (CAIL)<br>Exide Life Insurance Company Limited (ELI) |
| 2. Enterprise / Individuals having a direct or indirect control over the Company  | Chloride Eastern Limited, UK. (CEL)<br>Chloride Eastern Industries Pte Limited, Singapore (CEIL)<br>LIEC Holdings SA, Switzerland<br>Mr. S B Raheja  |
| 3. Key Management Personnel<br>(As on March 31, 2015)   | Mr. P. K. Katakya, Whole Time Director<br>Mr. G. Chatterjee, Whole Time Director<br>Mr. A. K. Mukherjee, Whole Time Director<br>Mr. Nadeem Kazim, Whole Time Director<br>Mr. Subir Chakraborty, Whole Time Director<br>Mr. Supriya Coomer, Company Secretary   |
| 4. Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year. | Shalini Construction Company Private Limited<br>Peninsula Estates Private Limited<br>Raheja QBE General Insurance Company Limited  |



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Subsidiaries		Enterprise/Individuals having direct or indirect control		Companies / firms in which Directors / Key Management Personnel have significant influence		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Transaction Value	Balance Outstanding as on March 31, 2015
Purchases of goods - A B M L	0.12	-	-	-	-	-	-	0.12	-
	(1.12)	-	-	-	-	-	-	(1.12)	-
- Chloride Metals	617.08	6.33	-	-	-	-	-	617.08	6.33
	(530.33)	-	-	-	-	-	-	(530.33)	-
- Chloride Alloys	744.58	33.19	-	-	-	-	-	744.58	33.19
	(813.38)	(40.69)	-	-	-	-	-	(813.38)	(40.69)
- Espex	0.01	-	-	-	-	-	-	0.01	-
	(0.02)	-	-	-	-	-	-	(0.02)	-
- CPSL	8.04	0.16	-	-	-	-	-	8.04	0.16
	(2.11)	(1.36)	-	-	-	-	-	(2.11)	(1.36)
<b>- Total</b>	<b>1,369.83</b>	<b>39.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,369.83</b>	<b>39.68</b>
	<b>(1,346.96)</b>	<b>(42.05)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,346.96)</b>	<b>(42.05)</b>
Sale of goods - CBSEA	56.94	13.89	-	-	-	-	-	56.94	13.89
	(77.20)	(17.86)	-	-	-	-	-	(77.20)	(17.86)
- CPSL	32.48	10.23	-	-	-	-	-	32.48	10.23
	(46.45)	(13.25)	-	-	-	-	-	(46.45)	(13.25)
- Espex	27.90	11.06	-	-	-	-	-	27.90	11.06
	(26.70)	(14.45)	-	-	-	-	-	(26.70)	(14.45)
- Chloride Metals	136.42	-	-	-	-	-	-	136.42	-
	(219.75)	-	-	-	-	-	-	(219.75)	-
- Chloride Alloys	85.17	-	-	-	-	-	-	85.17	-
	(97.12)	-	-	-	-	-	-	(97.12)	-
<b>- Total</b>	<b>338.91</b>	<b>35.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338.91</b>	<b>35.18</b>
	<b>(467.22)</b>	<b>(45.56)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(467.22)</b>	<b>(45.56)</b>
Cost of management services recovered									
- CIL	0.04	-	-	-	-	-	-	0.04	-
	(0.04)	-	-	-	-	-	-	(0.04)	-
Rent and Maintenance Costs									
- CIL	0.44	-	-	-	-	-	-	0.44	-
	(0.41)	-	-	-	-	-	-	(0.41)	-
- Shalini Construction	-	-	-	-	0.41	-	-	0.41	-
	-	-	-	-	(0.41)	-	-	(0.41)	-
- Peninsula Estates	-	-	-	-	0.10	-	-	0.10	-
	-	-	-	-	(0.10)	-	-	(0.10)	-

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Subsidiaries		Enterprise/Individuals having direct or indirect control		Companies / firms in which Directors / Key Management Personnel have significant influence		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Transaction Value	Balance Outstanding as on March 31, 2015
Insurance Expenses									
- Raheja QBE	-	-	-	-	0.02	-	-	0.02	-
	-	-	-	-	(0.01)	-	-	(0.01)	-
Employee Welfare Expenses									
- ELI	0.57	-	-	-	-	-	-	0.57	-
	(0.49)	-	-	-	-	-	-	(0.49)	-
Dividend Income									
- ABML	0.98	-	-	-	-	-	-	0.98	-
	(1.31)	-	-	-	-	-	-	(1.31)	-
- Espex	0.28	-	-	-	-	-	-	0.28	-
	-	-	-	-	-	-	-	-	-
- Chloride Alloys	1.25	-	-	-	-	-	-	1.25	-
	-	-	-	-	-	-	-	-	-
- CIL	0.27	-	-	-	-	-	-	0.27	-
	(0.31)	-	-	-	-	-	-	(0.31)	-
- CPSSL	1.98	-	-	-	-	-	-	1.98	-
	(2.97)	-	-	-	-	-	-	(2.97)	-
<b>- Total</b>	<b>4.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.76</b>	<b>-</b>
	<b>(4.59)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4.59)</b>	<b>-</b>
Technical Assistance Expenses									
- CEIL	-	-	0.12	-	-	-	-	0.12	-
	-	-	(0.12)	-	-	-	-	(0.12)	-
Technical Assistance Income									
- ABML	0.43	0.11	-	-	-	-	-	0.43	0.11
	(0.47)	(0.11)	-	-	-	-	-	(0.47)	(0.11)
Remuneration									
to Directors	-	-	-	-	-	-	9.81	9.81	5.15
	-	-	-	-	-	-	(8.05)	(8.05)	(3.89)
to Others	-	-	-	-	-	-	0.40	0.40	-
	-	-	-	-	-	-	(0.39)	(0.39)	-
<b>- Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.21</b>	<b>10.21</b>	<b>5.15</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8.44)</b>	<b>(8.44)</b>	<b>(3.89)</b>

Notes :

(1) Dividend amounting to Rs. 27.37 Crores was paid for the year 2013-14 final (Rs. 23.46 Crores for the year 2012-13 final) and Rs. 58.64 Crores for Interim

Dividend 2014-15 (Rs. 43.00 Crores for Interim Dividend 2013-14) to Chloride Eastern Limited, UK. Also refer Note 43.

\* Details furnished in Corporate Governance Report





# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 34. EARNINGS PER SHARE (EPS)

	(Rs. In Crores)	
	2014-15	2013-14
Details for calculation of basic and diluted earning per share:		
Profit after tax as per Statement of Profit and Loss	545.87	487.08
Weighted average number of equity share (Numbers)	85,00,00,000	85,00,00,000
Basic and diluted earning per share (Rs.)	6.42	5.73
(Face value per Share Re 1)		

## 35. UNHEDGED FOREIGN CURRENCY EXPOSURE

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Trade Receivables	48.77	40.70
Investments in overseas subsidiaries	18.44	18.44
Dividend and Technical fees receivable	0.11	0.11
Trade Payables for Goods & Services	98.80	117.29
Buyers' Credit	17.55	-
	<b>183.67</b>	<b>176.54</b>

## 36. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

	(Rs. In Crores)	
	2014-15	2013-14
Principal amount due	3.50	9.37
Interest due on above	0.08	0.01
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	-	-
Amount of interest due and payable for the period of delay	0.08	0.01
Amount of interest accrued and remaining unpaid as at year end	0.12	0.04
Amount of further interest remaining due and payable in the succeeding year	-	-

## 37. CAPITAL AND OTHER COMMITMENTS

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Commitment for acquisition of fixed assets	386.75	118.57
Commitment for investment	1.27	12.31
Other Commitments	10.97 *	17.00
	<b>398.99</b>	<b>147.88</b>

\* Payable over a period of next two years.

# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 38. CONTINGENT LIABILITIES

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Outstanding Bank Guarantees / Indemnity Bonds	29.58	17.97
Sales Tax demands	28.35	24.37
Excise Duty demands	34.37 *	34.12
Income Tax demands	16.10	6.82
Other claims being disputed by the Company	0.44	0.44
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	108.84	83.72

\* Includes a Demand of Rs. 32.60 Crores plus penalties, as applicable, for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries. The Company has contested applicability of The Standards of Weights & Measures Act, 1976 and Rules thereunder, the applicability of which is still to be adjudicated by the Hon'ble Supreme Court. Meanwhile, Company has been granted a stay on this Excise Duty demand by CESTAT, Kolkata.

## 39. VALUE OF RAW MATERIALS AND COMPONENTS CONSUMED

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Imported- 12.2 % (PY 16.3 %)	584.95	656.41
Indigenous- 87.8 % (PY 83.7 %)	4,214.63	3,361.25
	<b>4,799.58</b>	<b>4,017.66</b>

## 40. VALUE OF STORES AND SPARE PARTS CONSUMED

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Imported- 15.3 % (PY 16.5 %)	9.37	8.89
Indigenous -84.7 % (PY 83.5 %)	52.00	45.04
	<b>61.37</b>	<b>53.93</b>

## 41. VALUE OF IMPORTS (C.I.F BASIS)

	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Raw Materials and Components	725.93	668.31
Trading Items	28.33	2.05
Spare Parts	18.28	20.17
Capital Goods	102.68	43.36
	<b>875.22</b>	<b>733.89</b>



# NOTES

to Financial Statements as at and for the year ended March 31, 2015

## 42. INCOME & EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

Particulars	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
<b>Income</b>		
Export(f.o.b. value)	246.06	170.00
Dividend	1.26	1.29
Technical Assistance Fee	0.43	0.47
<b>Expenditure</b>		
Royalty	20.55	19.51
Technical Assistance Fee	0.12	0.12
Others	3.24	1.15

## 43. REMITTANCE IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDENDS TO NON-RESIDENT SHAREHOLDERS

Particulars	(Rs. In Crores)	
	March 31, 2015	March 31, 2014
Number of Shareholders	1	1
Number of Shares held	39,09,54,666	39,09,54,666
Net amount of dividend remitted (Rs. Crores)	86.01	66.46
Amount remitted for	2013-14 (Final) and 2014-15 (interim)	2012-13 (Final) and 2013-14 (interim)

The above information exclude particulars in respect of certain non-resident shareholders for whom dividend warrants were sent to the shareholders' banks in India, with prior approval of the Reserve Bank of India.

44. Previous year figures have been regrouped / rearranged where necessary.

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

### S.R.Batliboi & Co. LLP

Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katakya**  
**A. K. Mukherjee**  
Directors

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Exide Industries Limited

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Exide Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information



# INDEPENDENT AUDITOR'S REPORT

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 of the consolidated state of affairs of the Group as at March 31, 2015, their consolidated profit, and their consolidated cash flows for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company and its subsidiaries incorporated in India, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
    - (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
    - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
    - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
    - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
    - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
    - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 13 and Note 51 to the consolidated financial statements;
      - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.
      - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

## OTHER MATTERS

- (a) The accompanying consolidated financial statements include total assets of Rs. 9,651.92 Crores as at March 31, 2015, and total revenues and net cash inflows of Rs. 3,067.84 Crores and Rs. 10.79 Crores for the year ended on that date, in respect of all its subsidiaries which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far

# INDEPENDENT AUDITOR'S REPORT

as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

- (b) The auditors of Exide Life Insurance Company Limited ('ELI'), a subsidiary company, have reported that the actuarial valuation of liabilities for life policies in force is the responsibility of ELI's Appointed Actuary. The actuarial valuation of these liabilities for life policies in force as at March 31, 2015 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory Development Authority ('IRDA') ('Authority') and the Institute of Actuaries of India in concurrence with the Authority. The ELI auditors have relied upon Appointed Actuary's certificate in this regard for forming opinion on the valuation

of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exist on financial statements of ELI.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

**For S.R.Batliboi & Co. LLP**

Chartered Accountants

Firm's Registration Number: 301003E

**per Kamal Agarwal**

Partner

Membership No. 058652

Place of Signature: Mumbai

Date: April 30, 2015

## Annexure referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date

### To the Members of Exide Industries Limited

The Group, comprising Exide Industries Limited ('Holding Company') and its subsidiaries incorporated in India and to whom the provisions of the Order apply (namely Chloride Metals Limited, Chloride Power Systems & Solutions Limited, Chloride Alloys India Limited and Chloride International Limited, together referred to as "the Covered entities" in this report)

- (i) (a) The Holding Company and Covered entities of the Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets were physically verified by the management of the Holding Company and Covered entities of the Group during the year

in accordance with a planned programme of verifying all of them once in three years (each year for certain subsidiaries) which, in our opinion, and as reported by the other auditors who audited the financial statements of the aforesaid subsidiaries is reasonable having regard to the size of the Holding Company and Covered entities of the Group and the nature of their assets. No material discrepancies were noticed on such verification.

- (ii) (a) The management of the Holding Company and Covered entities of the Group have conducted physical verification of inventory at reasonable intervals during the year to the extent applicable to the nature of the business of the covered entities of the Group.



## Annexure referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

- (b) The procedures of physical verification of inventory followed by the management of the Holding Company and Covered entities of the Group are reasonable and adequate in relation to the size of the Holding Company and Covered entities of the Group and the nature of their business and to the extent applicable to the nature of the business of the covered entities of the Group.
- (c) The Holding Company and Covered entities of the Group are maintaining proper records of inventory and no material discrepancies were noticed on physical verification to the extent applicable to the nature of the business of the covered entities of the Group.
- (iii) (a) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements of the covered entities of the Group, the Holding Company and Covered entities of the Group have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Holding Company and Covered entities of the Group and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements of the covered entities of the Group, there is an adequate internal control system commensurate with the size of the Holding Company and Covered entities of the Group and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the covered entities of the Group. During the course of our audit and as reported by the other auditors who audited the financial statements of the covered entities of the Group, no major weakness or continuing failure to correct any major weakness was observed in the internal control system of the Holding Company and Covered entities of the Group in respect of these areas.
- (v) The Holding Company and Covered entities of the Group have not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company and certain Covered entities of the Group to the extent applicable and relevant pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of the products of the Holding Company and Covered entities of the Group, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same has not been made by us or other auditors who audited the financial statements of certain covered entities of the Group. To the best of our knowledge and as explained and as reported by the other auditors who audited the financial statements of certain other covered entities of the Group, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of such Covered entities of the Group.
- (vii) (a) The Holding Company and Covered entities of the Group are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to the Holding Company and the respective covered entities.
- (b) According to the information and explanations given to us and as reported by other auditors who audited the financial statements of certain covered entities in the Group, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Annexure referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

- (c) According to the records of the Holding Company and Covered entities of the Group and as reported by other auditors who audited the financial statements of certain covered entities in the Group, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Service Tax	Determination of Assessable Value/ Denial of Exemption Notification/ Availment of Cenvat credit	5.28	1998-99 to 2013-14	Various Commissioner(Appeals)/ Deputy Commissioner
	-Do-	185.75	1996-97 to 2013-14	Various CESTAT
	-Do-	0.12	1993-94	Supreme Court
	MRP based Assessment	65.20	2006-07 to 2009-10	CESTAT, Kolkata
The Central Excise Act, 1944	Dispute relating to ED exemption	0.004	2011-12	Commissioner Appeals
The Central Excise Act, 1944 and Service Tax	Various disallowances	0.41	2008-09	Commissioner Appeals
The Central Sales Tax Act, 1956	Demand relating to Non submission of C forms and other documents	32.52	1998-99 to 2014-15	Various Appellate Authorities
The Central Sales Tax Act, 1956	Non-submission of forms	0.26	2005-06, 2009-10	Revision Board- West Bengal
The Central Sales Tax Act, 1956	Various Disallowances	1.32	2006-07, 2008-10	Joint Commissioner Sales Tax (Appeals)
Various State Sales Tax Act	Demand relating to non-submission of Local forms and other documents/ dispute related to VAT credit/dispute relating to classification of goods	31.73	1996-97 to 2014-15	Various Appellate Authorities
	Turnover Dispute	2.79	2005-06 to 2010-11	Various Appellate Authorities
Various State Sales Tax Act	Turnover and ITC credit	0.16	2008-09	Commissioner Appeals
Various State Sales Tax Act	VAT credit dispute	0.04	2005-06	Revision Board- West Bengal
Various State Sales Tax Act	Various Disallowances	0.14	2001, 2005-06, 2008-09	Deputy Commissioner of Sales Tax (Appeals)
Various State Sales Tax Act	Various Disallowances	1.33	2006-07, 2008-10	Joint Commissioner Sales Tax (Appeals)
The Income Tax Act, 1961	Various Disallowances	0.15	2005-06, 2009-10, 2012-13	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Various Disallowances	0.004	2012-13	Income Tax Commissioner
The Income Tax Act, 1961	Various Disallowances	0.06	2010-11	Commissioner Appeals
The Income Tax Act, 1961	Disallowance of certain expenses	8.90	Assessment Year 2007- 08 and 2008-09	Income Tax Appellate Tribunal
	-Do-	1.71	2010-11	CIT (Appeals)

Out of the total dues against various Excise demands, stay was granted to the Holding Company by the appellate authorities for dues amounting to Rs. 245.65 crores.





## Annexure referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

- (d) According to the records of the Holding Company and the Covered entities of the Group and as reported by other auditors who audited the financial statements of certain covered entities in the Group, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time to the extent applicable to the covered entities.
- (viii) The Holding Company and Covered entities of the Group have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management and as reported by the other auditors who audited the financial statements of certain covered entities in the Group we are of the opinion that the Holding Company and the Covered entities of the Group have not defaulted in their repayment of dues to a financial institution or bank, except for a solitary case of delay of 3 days in the principal repayment of Rs. 2.9 crores to a bank by a subsidiary as reported by the auditor who audited the financial statements of such subsidiary. There were no outstanding debentures during the year.
- (x) According to the information and explanations given to us and based on the reports of the other auditors who audited the financial statements of other covered entities in the Group, the Holding Company and Covered entities of the Group have not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management and the report of the other auditors who audited the financial statements of certain covered entities of the Group, the Holding Company and certain Covered entities of the Group did not have any term loans outstanding during the year. Based on the report of other auditors who audited the financial statements of certain other covered entities of the Group, term loans were applied for the purpose for which the loans were obtained by such covered entities.
- (xii) We have been informed that two carrying and forwarding agents of the Holding Company had misappropriated physical stock of batteries in its warehouse amounting to Rs. 1.52 crores during the year under audit. The Holding Company has terminated the services of the agents and has also filed legal cases against them. The cost of such inventory shortage has also been provided for fully in the books.
- Based on the reports of the other auditors who audited the financial statements of other covered entities of the group, which we have relied upon, we report that no fraud on or by the Covered entities of the Group have been noticed or reported during the year.

**For S.R.Batliboi & Co. LLP**

Chartered Accountants

Firm's Registration Number: 301003E

per **Kamal Agarwal**

Partner

Membership No. 058652

Place of Signature: Mumbai

Date: April 30, 2015

# CONSOLIDATED BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	(Rs. in Crores)	
		March 31, 2015	March 31, 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Fund</b>			
a) Share Capital	2	85.00	85.00
b) Reserves & Surplus	3	3,756.04	3,374.66
		<b>3,841.04</b>	<b>3,459.66</b>
<b>2) Minority Interest</b>	4	12.78	11.68
<b>3) Non-Current Liabilities</b>			
a) Long Term Borrowings	5	2.62	4.30
b) Deferred tax liabilities (Net)	6	131.47	111.78
c) Other Long term liabilities	7	5.50	5.93
d) Long-term provisions	8	34.84	26.92
e) Policyholders' Fund	9	7,524.81	6,638.97
f) Fund for discontinued polices (Linked and Non-Linked)		90.08	33.10
g) Fund for future Appropriation (Linked and Non-Linked)		9.04	7.38
		<b>7,798.36</b>	<b>6,828.38</b>
<b>4) Current Liabilities</b>			
a) Short-term borrowings	10	51.36	30.18
b) Trade payables	11	1,045.63	1,101.19
c) Other current liabilities	12	365.07	333.96
d) Short-term provisions	13	257.03	218.07
e) Policyholders' Fund	14	516.08	510.76
		<b>2,235.17</b>	<b>2,194.16</b>
<b>TOTAL</b>		<b>13,887.35</b>	<b>12,493.88</b>
<b>II ASSETS</b>			
<b>1) Non Current Assets</b>			
a) Fixed Assets			
i) Tangible assets	15	1,175.96	1,079.75
ii) Intangible assets	16	23.37	24.47
iii) Capital work-in-progress		114.57	62.72
b) Goodwill on consolidation	17	581.90	581.90
c) Non-current investments			
i) Investments of Life insurance business	18	5,824.35	4,759.87
ii) Other investments	19	44.83	34.43
d) Assets held to cover linked liability of Life Insurance Business	20	2,201.59	2,285.35
e) Long-term loans and advances	21	199.05	131.68
f) Other non-current assets	22	1.34	4.27
		<b>10,166.96</b>	<b>8,964.44</b>
<b>2) Current Assets</b>			
a) Current investments			
i) Investments of Life insurance business	23	330.34	230.19
ii) Other investments	24	148.56	379.33
b) Assets held to cover linked liability of Insurance Business	25	267.21	238.87
c) Inventories	26	1,646.36	1,302.86
d) Trade receivables	27	690.15	658.42
e) Cash and bank balances	28	207.47	286.82
f) Short-term loans and advances	29	100.68	76.13
g) Other current assets	30	329.62	356.82
		<b>3,720.39</b>	<b>3,529.44</b>
<b>TOTAL</b>		<b>13,887.35</b>	<b>12,493.88</b>
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

## S.R.Batliboi & Co. LLP

Registration Number: 301003E

Chartered Accountants

per **Kamal Agarwal**

Partner

Membership No. 058652

Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katakya**  
**A. K. Mukherjee**  
Directors



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

Particulars	Note No.	(Rs. in Crores)	
		2014-15	2013-14
<b>INCOME:</b>			
<b>I) Revenue from Operations (Gross)</b>	31	10,321.06	9,102.23
Less: Excise Duty		786.11	793.38
<b>Revenue from operations (Net)</b>		<b>9,534.95</b>	<b>8,308.85</b>
<b>II) Other income</b>	32	95.15	73.10
<b>III) Total Revenue</b>		<b>9,630.10</b>	<b>8,381.95</b>
<b>IV) EXPENSES:</b>			
Cost of raw material and components consumed	33	4,827.48	3,924.85
Purchase of traded goods		113.14	100.37
Increase in inventories of finished goods, work-in-progress and trading goods	34	(289.02)	(11.69)
Employees benefit expenses	35	760.93	682.12
Finance costs	36	3.21	7.61
Depreciation and amortisation expenses	37	155.32	140.40
Other expenses	38	2,958.98	2,466.42
Change in valuation of liability in respect of Life Insurance Policies in force	40	226.53	285.16
<b>Total Expenses</b>		<b>8,756.57</b>	<b>7,595.24</b>
<b>V) Profit before tax</b>		873.53	786.71
<b>VI) Tax expenses:</b>			
1. Current tax (Includes provision for earlier years Rs. 1.70 Crores (PY net of reversal of excess provision for earlier years Rs. 0.89 Crores))		235.83	232.94
2. MAT Credit entitlement		(0.53)	-
3. Deferred tax (includes charge for earlier years Rs. Nil (PY Rs. 4.22 Crores))		21.90	7.61
		<b>257.20</b>	<b>240.55</b>
<b>VII) Profit for the Year</b>		616.33	546.16
<b>VIII) Less: Minority Interest</b>		1.78	1.50
<b>IX) Net profit after taxes and minority interest</b>		<b>614.55</b>	<b>544.66</b>
Earnings per share - Basic and Diluted (Nominal value Re. 1 per share (PY Re. 1 per share))		7.23	6.41
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

### S.R.Batliboi & Co. LLP

Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katak**  
**A. K. Mukherjee**  
Directors

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2015

(Rs. in Crores)

	2014--2015	2013-2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	873.53	786.71
Adjustment for :		
Depreciation	155.32	140.40
Profit on Fixed Assets sold	(0.65)	(0.57)
Loss on Fixed Assets sold / discarded	0.91	0.29
Dividend Income	(15.83)	(19.39)
Interest Expense	3.21	7.61
Interest Income	(520.87)	(420.68)
Gain on revaluation / change in fair value	(53.13)	(104.93)
Profit on Sale of Investments	(552.50)	(156.34)
Change in valuation of liability against life policies	940.90	716.91
Operating profit before working capital changes	830.89	950.01
(Increase) in Trade Receivables (net of provision)	(30.73)	(66.48)
(Increase) / Decrease in Inventories	(343.50)	104.53
(Increase) / Decrease in Loans & Advances	(57.54)	7.55
Increase in Current Liabilities	33.89	111.30
Cash generation from operations	433.01	1,106.91
Direct Taxes Paid (net of refund)	(252.79)	(234.55)
Net Cash from operating activities	180.22	872.36
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(331.51)	(157.89)
Sale of Fixed Assets	2.31	2.02
Purchase of Insurance Investments	(6,867.16)	(28,508.78)
Sale of Insurance Investments	6,467.72	27,875.92
Loan against Policies	(35.94)	(17.01)
Acquisition of Shares / units	(11.08)	-
Redemption of Units	0.66	-
Purchase of Mutual Fund units	(803.18)	(1,344.00)
Sale of Mutual Fund units	1,032.43	1,151.00
Interest Received	472.62	378.59
Dividend received	17.60	17.70
Net Cash used in investing activities	(55.53)	(602.45)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Long Term Borrowings	-	1.92
Repayment of Long Term Borrowings	(1.69)	(38.10)
Proceeds from Short Term Borrowings	28.49	-
Dividends Paid (including tax)	(223.13)	(171.35)
Interest Paid	(2.70)	(7.80)
Net Cash used in financing activities	(199.03)	(215.33)
Net Increase / (decrease) in cash and cash equivalents	(74.34)	54.58
Effect of Foreign Currency Translation	(5.01)	11.73
Cash and cash equivalents - Opening Balance #	286.82	220.51
Cash and cash equivalents - Closing Balance #	207.47 *	286.82

# as disclosed in Note 28

\* Includes Rs. 6.20 Crores (PY Rs. 5.11 Crores) lying in Unclaimed Dividend Account, being the amount available for restricted use.

As per our report of even date.

**S.R.Batliboi & Co. LLP**Registration Number: 301003E  
Chartered Accountantsper **Kamal Agarwal**

Partner

Membership No. 058652

Mumbai, April 30, 2015

For and on behalf of the Board of Directors

**J. Kumar**

Secretary

**R. G. Kapadia****P. K. Katakya****A. K. Mukherjee**

Directors



# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation

The consolidated financial statements comprising of the financial statements of Exide Industries Limited. ('EIL' or 'the Company') and its subsidiaries (Group) have been prepared on an accrual basis and under the historical cost convention modified by revaluation of certain fixed assets except for investments of Exide Life Insurance Company Limited ('ELI'), that have been valued in accordance with Insurance Regulatory and Development Authority (IRDA) regulations. The consolidated financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

Standalone financial statements of Exide Life Insurance Company Limited (ELI) have been prepared in accordance with the provisions of the IRDA(Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Accounting Regulations'), the Insurance Act, 1938, Insurance Regulatory and Development Authority Act 1999, various circulars issued by IRDA and the practices prevailing within the Insurance Industry in India. Financial statements of foreign subsidiaries Chloride Batteries S.E. Asia Pte Ltd. (CBSEA), Espex Batteries Limited (ESPEX) and Associated Battery Manufacturers (Ceylon) Ltd. (ABML) have been prepared under 'Singapore Financial Reporting Standards', 'Financial Reporting Standards for smaller entities, UK', and Srilanka Accounting Standards for Small and Medium sized entities (SLFRS for SMEs) respectively but suitably modified to materially conform to the uniform accounting policies for the purpose of consolidation. For recognition of Income and expenses, Mercantile System of Accounting is followed.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

#### Change in accounting policy

##### Depreciation on fixed assets

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

#### (a) Useful lives/ depreciation rates

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

Had the Group continued its earlier policy of charging depreciation based on earlier useful lives / lives determined by Schedule XIV of the Companies Act, 1956 rates as the case may be, profits for the current year would have been higher by Rs. 3.09 Crores.

#### (b) Accounting for additional depreciation on account of revaluation of assets

The Group had revalued all its land, buildings

# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

and plant & machinery as detailed in Note 15. Till year ended March 31, 2014, the Guidance Note on Treatment of Reserve Created on Revaluation of Fixed Assets issued by the ICAI allowed companies to transfer an amount equivalent to the additional depreciation arising due to upward revaluation of fixed assets from revaluation reserve to the statement of profit and loss. Accordingly, the Group was transferring an amount equivalent to additional depreciation arising due to upward revaluation of building and plant & machinery from revaluation reserve to the statement of profit and loss. In contrast, Schedule II to the Companies Act, 2013 applicable from the current year, states that depreciable amount of an asset is the cost of an asset or other amount substituted for cost. Hence, in case of revalued assets, depreciation computed on the revalued amount needs to be charged to the statement of profit and loss, without any recoupment from revaluation reserve. Consequently, to comply with the Schedule II requirement, the Group has discontinued the practice of recouping the impact of additional depreciation from revaluation reserve. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 1, 2014.

Had the Group continued its earlier policy of recouping the additional depreciation arising due to upward revaluation of fixed assets from revaluation assets, profits for the current year would have been higher by Rs. 1.55 Crores. However, the change in accounting policy did not have any impact on reserves and surplus as at March 31, 2015.

- (c) Depreciation on assets costing less than Rs. 5,000/-**  
Till year ended March 31, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Group was charging 100% depreciation on assets costing less than Rs. 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciation of assets costing less than

Rs. 5,000/-. As per the revised policy, the Group is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 1, 2014.

The change in accounting for depreciation of assets costing less than Rs. 5,000/- did not have any material impact on financial statements of the Group for the current year.

**b. Use of estimates**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**c. Revenue Recognition**

**Sale of Goods**

Revenue from sale of goods including manufactured products is recognised upon passage of title to the customers, in accordance with the Sale of Goods Act, 1930, in India and upon delivery to customers in case of foreign subsidiaries

Customs Duty benefits in the form of advance license entitlements are recognised on export of goods, and are set off from material costs.

The Group collects Sales taxes and Value added Taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Group. Hence they are excluded from Revenue.

**Interest**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.



# ACCOUNTING POLICIES AND NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

## d. Fixed Assets

Fixed Assets are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation and impairment losses, if any. Cost comprises of Purchase price inclusive of duties (net of Cenvat), taxes, incidental expenses, erection/commissioning expenses etc upto the date the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written up by the valuer, is considered in the accounts and the differential amount is transferred to revaluation reserve.

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external / internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'Value in use'. The estimated future cash flows are discounted to their present value using pre tax discount rates and risks specific to the asset.

## e. Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as Long-Term investments. Current Investments are stated at lower of cost or fair value on individual investment basis. Long Term Investments are considered at cost, unless there is other than temporary decline in value thereof, in which case adequate provision is made for diminution in the value of Investments.

## f. Depreciation

i) a) Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

b) The Group has used the following rates to provide depreciation on its fixed assets.

Particulars	Useful economic life (in year)
Factory building / other buildings	25.5 / 58.5
RCC Road / other than RCC Road	10 / 5
plant and equipment	3-15
Electrical installations & equipment and lab equipment	10
Moulds	8.5
Furniture and fixtures	3-10
office equipments	3-5
Vehicles	4-6
Computers	3-6
Intangibles (includes software)	Period of License/ estimated useful life, not exceeding 5 years
Mobile phones	2
Leasehold improvements	Period of lease/ useful life, not exceeding 10 years

The Group has estimated, based on the Company's internal evaluation, the useful lives of the following classes of assets which are lower than the rates indicated in Schedule II:

- Factory buildings and Other buildings are depreciated over the estimated useful lives of 25.5-28.5 years and 58.5 years, respectively
- Certain plant and machinery are depreciated over 3-15 years.
- Certain furniture and fixtures are depreciated over 3-10 years.

# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

d. Certain office equipment are depreciated over 3-5 years.

e. Certain vehicles are depreciated over 4-6 years.

ii) Depreciation includes amount amortised on a straight line basis in respect of leasehold properties over the respective lease period.

iii) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/disposal.

iv) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### g. Intangible Assets

#### Research and Development Costs

i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalised when its future recoverability can reasonably be regarded as assured. Any expenditure capitalised is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

ii) Acquired computer software and licenses are capitalised on the basis of costs incurred to bring the specific intangibles to its intended use. These cost are amortized on a straight-line pro-rata basis over their estimated useful life of five years.

iii) Acquired Goodwill is amortised on a straight line pro-rata basis over a period of five years and also tested for impairment every year. However, the carrying amount of goodwill arising on consolidation is reviewed at each

balance sheet date to determine if there is any indication of impairment based on external / internal factors.

### h. Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity are capitalised. Administration and other general overhead expenses which are specifically attributable to the construction activity incurred during construction period are capitalised as part of the indirect construction cost. Other indirect expenditure (including borrowing costs) incurred during the construction period which are not related to the construction activity nor are incidental thereto, are charged to the statement of Profit and Loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its original standard of performance.

### i. Borrowing Costs

Borrowing costs attributable to the acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets, upto the date when such assets are ready for their intended use. Other borrowing costs are charged to the statement of Profit and Loss Account.

### j. Leases:

#### i) Finance lease :

a) Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are





# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

- b) Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

### ii) Operating leases :

- a) Assets acquired under Operating Leases represent assets where the lessor effectively retains substantially all the risks and benefits of their ownership. Operating lease payments are recognized as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.
- b) Assets given under operating leases are included in fixed assets. Lease income is recognized in the statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of Profit and Loss.

### k. Foreign Currency Transactions

#### (i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are

reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### (iii) Exchange Differences

Exchange differences arising on the settlement/ conversion of monetary items, are recognized as income or expenses in the year in which they arise.

#### (iv) Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

#### (v) Translation of Non-Integral Foreign Currency Operations

The translation of the financial statements of a non-integral foreign operation results in the recognition of exchange differences arising from (a) translating income and expense items at the exchange rates at the dates of transactions and assets and liabilities at the closing rate (b) translating the opening net investment in the non-integral foreign operation at an exchange rate different from that at which it was previously valued.

All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

### l. Earning per share

Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### m. Inventories

- i) Raw materials, components, stores and spares are valued at Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- ii) Work-in-progress and finished goods are valued at Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis
- iii) Traded goods are valued at Lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

### n. Excise Duty

Excise Duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the balance sheet date.

### o. Retirement and other employee benefits

- i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to Statement of Profit and Loss of the year when the employee

renders the service. There are no obligations other than the contribution payable to the respective trusts.

CBSEA participates in the national pension schemes as defined by the laws of Singapore and makes contributions to the Central Provident fund scheme in Singapore.

- ii) Gratuity and Post retirement Medical Benefit liability are defined benefit obligations and where material, are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year, while Short term compensated absences are provided for based on management estimates.
- iv) Payments made under the Voluntary Retirement Scheme are charged to the statement of Profit and Loss.
- v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in note no. '42' below. The contributions towards defined contribution are charged to the statement of Profit and Loss of the year when the contribution becomes due. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.
- vi) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.
- vii) The current and non-current bifurcation is done as per Actuarial report.

### p. Segment reporting

The Group's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers



# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

different products and serves different markets. The analysis of geographical segments is based on the areas in which customers of the Group are located.

### q. **Taxation**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Laws as applicable. In case of foreign subsidiaries the tax liability is provided as per the Income Tax Laws prevailing in the respective countries.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred Tax Assets and Liabilities across various countries of operations are not set-off against each other as EIL does not have a legal right to do so.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income

tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

### r. **Provision**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard-29, and the relevant pronouncements in case of the foreign subsidiaries, are not discounted to its present value and are determined based on the management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Provision for product related warranty/ guarantee costs is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

### s. **Contingent Liabilities**

No provision is made for liabilities, which are contingent in nature, but if material, these are disclosed by way of notes. 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. Where 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.

# ACCOUNTING POLICIES AND NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## t. Cash and cash equivalents

Cash and cash equivalents for the purpose of in cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## u. Other additional significant accounting policies specific to Life Insurance business

### i) Revenue Recognition

Premium is recognised as income when due. Premium on lapsed policies is recognised as income when such policies are reinstated.

For linked business, Premium income is recognised as income when the associated units are created. Income from unit linked funds which include policy administration charges, mortality charges, etc. are recovered from unit linked fund in accordance with terms and conditions of policy and is recognised when due. Fund management charges are adjusted in the unit price computed on each business date.

### ii) Reinsurance premium

Cost of reinsurance ceded is accounted at the time of recognition of premium income in accordance with the treaty or in principle arrangement/agreement with the reinsurers. Profit share commission on reinsurance ceded is netted off against commission.

### iii) Benefits paid

Benefits paid comprise policy benefit amount and bonus declared to policyholders.

Death & Surrender claims are accounted for on receipt of intimation based on the terms of policy. Maturity benefits, Survival benefits and declared bonuses are accounted for on the respective due dates. Withdrawals and benefits under linked policies are accounted in the respective schemes when the associated units are cancelled.

Repudiated claims disputed before judicial authorities are provided for based on

management prudence and considering the fact and evidences available in respect of such claims. Reinsurance recoveries on claims are accounted for, in the same period as the related claims.

### iv) Acquisition & Maintenance costs

Acquisition & Maintenance costs are cost that vary with and are primarily related to the acquisition of new and renewal insurance contracts respectively. Such costs are expensed in the year in which they are incurred.

### v) Investments and investment income

Investments are made in accordance with the Insurance Act, 1938 and the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 and Insurance Regulatory and Development Authority (Investment) (5th Amendment) Regulations, 2013 and other circulars/notifications issued by the IRDA in this context from time to time.

Investments maturing within twelve months from the balance sheet date and made with the specific intention to dispose off within twelve months from balance sheet date are classified as short-term investments. Investments other than short-term investments are classified as long-term investments.

Investments are specifically purchased and held for the policyholders and shareholders independently. The income relating to these investments is recognized in the respective policyholders' / shareholders' account.

Investments are recorded at trade date on cost including acquisition charges (such as brokerage and related taxes), and exclude pre-acquisition interest paid, if any, on purchase.

Interest income on investments is recognised on accrual basis. Dividend income is recognised when the right to receive the dividend is established. Bonus entitlements are recognised as investments on the 'ex-bonus date'.



# ACCOUNTING POLICIES AND NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## **Non-linked policyholders' and shareholders' investments**

All debt securities are considered as held to maturity and stated at historical cost subject to amortisation. The discount or premium which is the difference between the purchase price and the redemption amount of the securities is amortised/accreted and recognised in the Statement of profit and loss, as the case may be, over the remaining period of maturity on a straight line basis.

The difference between the acquisition price and maturity value of money market instruments such as Treasury Bills, Certificate of Deposit and Commercial Papers are recognised as interest income in the Statement of profit and loss, as the case may be, over the remaining term of these instruments, on a straight line basis.

Listed shares as at the balance sheet date are stated at fair value, at the last quoted closing price on the National Stock Exchange Limited ('NSE') being the primary exchange and if not quoted on NSE then at last quoted closing price on the Bombay Stock Exchange Limited ('BSE'). Mutual fund units as at the balance sheet date are valued at previous day's net asset values of respective mutual fund.

Realised gain/loss on debt securities is the difference between the sale consideration net of expenses and the amortised cost, which is computed on a weighted average basis, as on the date of sale. Profit or loss on sale of equity shares/mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis.

Unrealised gains or losses arising due to changes in the fair value of listed shares and mutual fund units as at the balance sheet date are taken to 'Fair value change account' and carried forward in the balance sheet.

Impairment evaluation is a complex process that inherently involves significant judgments and uncertainty that may have a material impact on the financial statements. For debts securities, such consideration includes actual and estimated incurred credit losses indicated by payment default, market data (estimated) incurred losses and other current evidence that the issuer may be unlikely to pay amounts when due. Equity securities are impaired when the management believes that, based on (combination of) a significant or prolonged decline of fair value below the acquisition cost, there is sufficient reason to believe that the acquisition cost may not be recovered. An impairment loss shall be recognised as an expense in revenue / statement of profit & loss to the extent of the difference between the re-measured fair value of the security / investment and acquisition cost (weighted average) as reduced by any previous impairment loss recognised as expense in the revenue / statement of profit & loss.

## **Linked business**

Debt securities (including Government securities) are valued at prices obtained from Credit Rating Information Services of India Limited ('CRISIL').

Listed equity shares are valued at fair value, being the lower of last quoted closing price on the National Stock Exchange Limited ('NSE') and / or Bombay Stock Exchange Limited ('BSE'). Mutual fund units as at the balance sheet date are valued at previous day's net asset values of respective mutual fund.

Money market instruments are valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a straight-line basis.

The realized gain or loss on the sale of securities is the difference between the sale

# ACCOUNTING POLICIES AND NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

consideration net of expenses and the purchase cost (computed on a weighted average basis) or amortized cost for discounted instruments as on the date of sale.

Realised Profit or loss on sale of equity shares/ mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis.

Unrealized gains and losses as at the balance sheet date are recognised in the Statement of profit and loss of the respective schemes.

### **Transfer of investments between Shareholders and Policyholders**

In order to meet the deficit in the Policyholders' account the Company transfers cash or investments from Shareholders' fund to Policyholders' fund in compliance with IRDA circulars.

#### **v) Actuarial Liability Valuation**

The estimation of liability for life policies is determined by the Appointed Actuary in accordance with accepted actuarial practice, requirements of Insurance Act 1938, IRDA regulations and the actuarial practice standards issued by The Institute of Actuaries of India.

#### **vi) Fund for Future Appropriation**

##### **Linked business**

Amounts estimated by Appointed Actuary as Funds for Future Appropriation – Linked are required to be set aside in the balance sheet and are not available for distribution to shareholders until the expiry of the revival period. The Company appropriates Funds for Future Appropriation from the Revenue Account.

### **Participating business**

At each balance sheet date, the management with the approval of the shareholders decides to distribute the surplus among policyholders, shareholders and funds for appropriation at a future date. Surplus arising in the participating business after allowing for current year cost of bonus to policyholder is held as funds for future appropriation, which includes the surplus not appropriated during the year either to the policyholders or to the shareholders.

#### **vii) Loans against policies**

Loans are stated at historical costs subject to provision for impairment. Interest on loans, if any, is recognized on an accrual basis.

#### **viii) Service Tax**

Service Tax liability on life insurance services is offset against available CENVAT credit. The unutilised CENVAT credit, if any, is carried forward under 'Advances and Other Assets'. At each balance sheet date, the Company assesses the unutilised CENVAT Credit for set off in future periods. A provision, if required, is created based on estimated realization of such unutilised CENVAT credit.

#### **v) Principles of consolidation of financial statements:**

The consolidated financial statements which relate to Exide Industries Ltd. (EIL) and its subsidiary companies, have been prepared on the following basis –

- i. The financial statements of the company and its subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/ loss included therein.



# ACCOUNTING POLICIES AND NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

- ii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the company's separate financial statements. All the subsidiaries follow financial year as accounting year.
- iii. The excess / shortfall of cost to the company of its investments in the subsidiary companies is recognized in the financial statements as goodwill / capital reserve, as the case may be.
- iv. The subsidiary companies considered in the financial statements are as follows:

Name	Country of Incorporation	% of ownership interest as on March 31, 2015	% of ownership interest as on March 31, 2014
Chloride International Limited (CIL)	India	100	100
CHLORIDE POWER SYSTEMS & SOLUTIONS LTD. (CPSSL) (FORMERLY CALDYNE AUTOMATICS LTD.)	India	100	100
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100	100
Espex Batteries Limited (ESPEX) (wholly owned subsidiary wef April 1, 2012)	UK	100	100
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	Srilanka	61.50	61.50
Chloride Metals Ltd. (CML)	India	100	100
Chloride Alloys India Ltd. (CAIL)	India	100	100
Exide Life Insurance Company Limited (EIL)	India	100	100

- v. Foreign Exchange fluctuations on conversion of the accounts of EIL's foreign subsidiaries have been taken to "Foreign Currency Translation Reserve" (Arising on Consolidation).

## MINORITY INTEREST

In terms of Accounting Standard 21, the minority interest has been computed in respect of Associated Battery Manufacturers (Ceylon) Limited, a non-fully owned subsidiary.

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 2 SHARE CAPITAL

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>a) Authorised</b>		
1,000,000,000 (PY: 1,000,000,000) Equity Shares of Re. 1 each	100.00	100.00
	<b>100.00</b>	<b>100.00</b>
<b>b) Issued, subscribed &amp; fully paid-up</b>		
850,000,000 (PY: 850,000,000) Equity Shares of Re. 1 each	85.00	85.00
	<b>85.00</b>	<b>85.00</b>
There is no change in number of shares in current year and last year		

### c) Terms / rights attached to equity shares

The company has only one class of Equity Shares having a Par Value of Re. 1 per share. Each Holder of Equity Shares is entitled to one Vote per share. The company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the 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.

During the year ended March 31, 2015, the amount of per share Dividend recognised as distributions to equity shareholders was Rs. 2.20 (P/Y Rs. 1.80 per share)

### d) Details of shareholders holding more than 5% shares in Company

Name of Shareholder	As at March 31, 2015	As at March 31, 2014
	Number of Shares	
Chloride Eastern Limited, UK holding 45.99 % (PY:45.99 %)	390,954,666	390,954,666
As per records of the company, including its register of shareholders / members and other declarations received from shareholders, the above shareholding represents legal ownership of shares.		

## 3 RESERVES AND SURPLUS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>a) Revaluation Reserve</b>		
Balance as per Last Account	38.68	40.37
Less: Adjusted towards assets sold / discarded	0.52	0.14
Less: Depreciation on Revalued assets transferred to General reserves	1.55	-
Less: Transfer to Depreciation Account	-	1.55
<b>Closing Balance</b>	<b>36.61</b>	<b>38.68</b>
<b>b) Securities Premium Account</b>		
Balance as per Last Account	737.88	737.88





# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 3 RESERVES AND SURPLUS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>c) General Reserve</b>		
Balance as per Last Account	1,105.35	1,054.65
Less: adjustments for change in useful life, net of deferred taxes (refer note below) #	2.84	-
Add: Transfer on account of depreciation on revalued assets	1.55	-
Add: Amount transferred from Statement of Profit and Loss	20.57	50.70
<b>Closing Balance</b>	<b>1,124.63</b>	<b>1,105.35</b>
<b>d) Contingency Reserve *</b>		
Balance as per Last Account	25.00	25.00
<b>e) Capital Redemption Reserve **</b>		
Balance as per Last Account	0.80	0.80
<b>f) Credit/(debit) Fair value Change Account of Life Insurance business</b>		
Balance as per Last Account	4.06	0.02
Add: additions / (deductions) during the year	(4.06)	4.04
<b>Closing Balance</b>	<b>-</b>	<b>4.06</b>
<b>g) Capital Reserve</b>		
Balance as per Last Account	2.89	2.89
<b>h) Foreign Currency Translation Reserve</b>		
Balance as per Last Account	32.39	20.66
Add: Movement for the year	(5.01)	11.73
<b>Closing Balance</b>	<b>27.38</b>	<b>32.39</b>
<b>i) Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	1,427.61	1,112.42
Profit for the year	614.55	544.66
Less: Appropriations		
Proposed final equity dividend (amount per share Re 0.70 (PY Re 0.70))	(59.50)	(59.50)
Tax on proposed equity dividend	(11.40)	(9.32)
Interim dividend (amount per share Re 1.50 (PY Re 1.10))	(127.50)	(93.50)
Tax on interim dividend	(22.34)	(16.45)
Transfer to General reserve	(20.57)	(50.70)
Total Appropriations	(241.31)	(229.47)
<b>Net Surplus in Statement of Profit and Loss</b>	<b>1,800.85</b>	<b>1,427.61</b>
	<b>3,756.04</b>	<b>3,374.66</b>

\* EIL has created the contingency reserve to set aside funds for meeting contingencies and claims.

\*\* ESPEX has created the Capital redemption reserve on account of buy back of its shares from minority shareholders.

# Effective from April 1, 2014, Indian Companies have charged depreciation based on the revised remaining useful life of the assets as per requirement of Schedule II of the Companies Act, 2013. Further, as per transitional provision provided in note 7(b) of Schedule II, an amount of Rs. 2.84 Crores (net of deferred tax of Rs. 1.11 Crores) has been adjusted with general Reserve for the assets in respect of which the remaining useful life is NIL as on April 1, 2014.

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 4 MINORITY INTEREST

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Balance of equity as on acquisition date	3.75	3.75
Add: Movement in equity from acquisition date to 31.03.2015	9.03	7.93
	<b>12.78</b>	<b>11.68</b>

## 5 LONG TERM BORROWINGS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>A) Non-Current Portion</b>		
Buyers Credit from HDFC Bank Ltd (Secured)*	-	2.30
Term loan from HSBC Bank Ltd (secured) #	1.29	-
Deferred Payment Liabilities from Sales Tax Deferral Scheme (unsecured)**	1.33	2.00
	<b>2.62</b>	<b>4.30</b>
<b>B) Current Maturities</b>		
Buyers Credit from HDFC Bank Ltd (Secured)*	2.30	-
Term loan from HSBC Bank Ltd (secured) #	0.70	-
Deferred Payment Liabilities from Sales Tax Deferral Scheme (unsecured)**	0.68	0.38
	3.68	0.38
Less : Amount disclosed under the head "other current liabilities" (note 12)	3.68	0.38
	-	-

\* Secured by hypothecation of the underlying asset being equipments related to the battery breaking plant. Repayable in a bullet instalment within 2 years from date of loan being December 28, 2013 i.e on December 28, 2015. CML has fully covered its outstanding borrowings in respect of its buyers credit for the exchange risk as well as the interest rate risk through currency swap derivative contracts entered into by. Hence no effect of exchange fluctuations has been given for the same. The interest rate payable for the said loan is 10.95%

\*\* Liability under Sales Tax Deferral Scheme is payable in 5 equal yearly instalments after 10 years of accrual and carries no interest.

# Secured by hypothecation of the Plant & Machinery of ABML. Repayable in 36 months from the date of loan. The interest rate payable for the said loan is 7.13 %.



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 6 DEFERRED TAX LIABILITY (NET)

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>a) Deferred tax liability:</b>		
Arising out of timing difference in depreciable assets	117.84	105.07
Expenses claimed as deduction under the respective Income Tax Laws but not booked in current year	40.49	25.11
<b>b) Deferred tax assets:</b>		
On expenses allowable against taxable income in future years	14.86	9.28
On Unabsorbed Depreciation and Business Loss	1.26	0.70
Expenses disallowed in earlier assessments which are being contested	10.74	8.42
	<b>131.47</b>	<b>111.78</b>

In view of the accumulated losses and unabsorbed depreciation, ELI and CBSEA has not created any provision for current income tax expense. As per Accounting Standard 22 on 'Accounting for Taxes on Income' as prescribed in the Companies (Accounting Standards) Rules, 2006, virtual certainty backed by conclusive evidence is necessary to create Deferred Tax Assets on un-absorbed losses and depreciation. Under the above circumstances, no deferred tax assets on losses have been created in the books of ELI and CBSEA.

## 7 OTHER LONG TERM LIABILITIES

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Trade payables	2.55	1.91
Others - For Capital goods	1.74	1.79
- For Expenses	1.21	2.23
	<b>5.50</b>	<b>5.93</b>

Trade payables represent retention money withheld and which are payable after more than 12 months from the Balance Sheet date.

## 8 LONG TERM PROVISIONS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits (refer note 42)		
Post retiral medical benefits	4.11	3.46
Gratuity	5.95	3.27
Leave benefits	22.75	18.84
Pension	2.03	1.35
	<b>34.84</b>	<b>26.92</b>

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 9 POLICYHOLDERS' FUND

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>Non-current</b>		
Policy liabilities		
Par	2,659.53	2,228.62
Non par	1,106.96	765.45
Annuity	32.42	13.93
Pension	1,024.01	1,079.13
VIP Non Par Pension	316.91	88.45
Credit/(debit) balance in fair value change account (net)	13.73	4.82
Provision for linked liabilities	2,042.83	2,179.60
Fair value change (linked)	319.07	265.94
Non-unit liabilities	9.35	13.03
	<b>7,524.81</b>	<b>6,638.97</b>

## 10 SHORT TERM BORROWINGS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>Secured</b>		
a) From Banks		
Buyer's Credit	30.67	7.14
Bank Overdraft	-	3.37
Trade Bills financing	12.35	19.67
<b>Unsecured</b>		
Buyer's Credit (repayable in 6 months)	8.34	-
<b>Total</b>	<b>51.36</b>	<b>30.18</b>
<b>Buyers' Credit</b>		
i. Includes Rs. 21.45 Crores (PY Rs. 7.14 Crores) of CML secured by hypothecation with first charge of all the Company's present and future stocks and book debts.		
ii. Includes Rs. 9.21 Crores (PY Nil) secured by hypothecation of stocks and book debts, both present and future of EIL and repayable in 6 months, carries interest @ LIBOR + 0.45 %.		
<b>Bank overdraft and Trade bills financing</b>		
Rs. 12.35 Crores (PY Rs. 23.04 Crores) of CBSEA bearing interest at 0.50% per annum over the bank's prevailing prime lending rate which is 5.5% (PY 6% per annum). The above amount is secured by the following :		
i. An all monies mortgage over a property		
ii. An all monies debentures over all present and future assets incorporating fixed and floating charge over the present and future assets of the company.		



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 11 TRADE PAYABLES

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Trade payable for goods & services (refer note no 49)	984.53	1,040.35
Acceptances	61.10	60.84
	<b>1,045.63</b>	<b>1,101.19</b>

## 12 OTHER CURRENT LIABILITIES

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
a) Current maturities of long-term debts	3.68	0.38
b) Interest accrued on borrowings :		
Not due	0.05	0.13
c) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	6.20	5.11
d) Other payables -		
For Capital Goods	43.73	17.15
Taxes and duties payable	40.37	52.56
Advances from customers	22.71	15.72
For selling Expenses	111.42	108.86
For Other Expenses (Includes Rs. 64.20 Crores (PY Rs. 53.52 Crores) proposal / policy deposits of ELI)	136.91	134.05
	<b>365.07</b>	<b>333.96</b>

## 13 SHORT-TERM PROVISIONS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
a) Provision for employee benefits (refer note 42)		
Post retiral medical benefits	0.26	0.24
Gratuity	0.36	1.05
Leave benefits	3.15	3.65
b) Other provisions		
Warranty Claims	154.93	124.62
Litigations and tax disputes	26.22	18.95
Income Tax (net of advance Tax)	1.21	0.74
Proposed dividend	59.50	59.50
Tax on proposed dividend	11.40	9.32
	<b>257.03</b>	<b>218.07</b>

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 13 SHORT-TERM PROVISIONS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014

### Provisions for warranty claims

A provision is recognised for expected warranty claims on batteries sold, based on past experience of the level of repairs and returns. Assumptions used to calculate the provision for warranty were based on sales and current information available about returns based on warranty period for all products sold. The table below gives information about movement in warranty provision:

Opening Balance	124.62	118.88
Add: Provision created during the year	190.17	178.62
Less: Product related warranties during the year	159.74	173.01
Effect of Foreign Exchange Movements	(0.12)	0.13
<b>Closing Balance</b>	<b>154.93</b>	<b>124.62</b>

### Provisions for litigations and tax disputes (refer notes below)

The Group has estimated the provisions for pending litigations, claims, demands relating to indirect taxes based on its assessment of probability for these demands crystallising against the company in due course:

<b>Opening Balance</b>	18.95	13.69
Add: Provision created during the year	7.27	5.26
<b>Closing Balance</b>	<b>26.22</b>	<b>18.95</b>

(a) There are other tax disputes / litigations amounting to Rs. 3.82 Crores (PY Rs. 2.76 Crores) against which the Group has also deposited money under protest and made provision there - against. Such deposits and provisions have been netted off in the financials.

(b) There are also provisions against Income Tax claims amounting to Rs. 10.74 Crores (PY Rs. 8.42 Crores) which is included in Note 21 i (d), against which the Group has also created deferred tax assets as disclosed in Note 6.

## 14 POLICYHOLDERS' FUND

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>Current</b>		
Policy liabilities		
Par	458.69	463.31
Non par	29.96	24.93
Pension	0.21	0.21
Provision for linked liabilities	27.22	22.31
	<b>516.08</b>	<b>510.76</b>

## NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 15 TANGIBLE ASSETS

	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Office Equipment	Furniture & fittings	Vehicles	Computers	Total
<b>Cost</b>										
As at April 1, 2013	42.23	34.31	356.68	1,439.22	146.17	21.91	20.75	13.77	46.71	2,121.75
Forex Adjustment	0.69	-	7.79	6.63	-	-	2.23	0.99	-	18.33
Additions	0.60	-	12.57	95.58	14.24	2.34	1.06	0.50	4.23	131.12
Disposals	-	0.07	0.41	9.82	5.28	1.15	0.68	1.43	12.30	31.14
<b>As at March 31, 2014</b>	<b>43.52</b>	<b>34.24</b>	<b>376.63</b>	<b>1,531.61</b>	<b>155.13</b>	<b>23.10</b>	<b>23.36</b>	<b>13.83</b>	<b>38.64</b>	<b>2,240.06</b>
Forex Adjustment	(0.20)	-	(1.01)	(1.90)	-	-	(0.41)	(0.22)	-	(3.74)
Additions	-	-	23.71	185.71	24.64	3.85	1.45	2.47	8.47	250.30
Disposals	-	-	1.03	21.79	3.44	0.17	0.39	2.32	0.73	29.87
<b>As at March 31, 2015</b>	<b>43.32</b>	<b>34.24</b>	<b>398.30(b)</b>	<b>1,693.63</b>	<b>176.33</b>	<b>26.78</b>	<b>24.01</b>	<b>13.76</b>	<b>46.38</b>	<b>2,456.75</b>
<b>Depreciation</b>										
As at April 1, 2013	-	3.45	125.44	749.39	81.39	17.33	17.81	11.32	39.86	1,045.99
Forex Adjustment	-	-	3.90	4.36	-	-	1.73	0.69	-	10.68
Charge for the year	-	0.47	11.43	103.13	12.68	0.63	1.02	1.18	3.17	133.71
Disposals	-	-	0.36	9.35	5.16	1.07	0.53	1.36	12.24	30.07
<b>As at March 31, 2014</b>	<b>-</b>	<b>3.92</b>	<b>140.41</b>	<b>847.53</b>	<b>88.91</b>	<b>16.89</b>	<b>20.03</b>	<b>11.83</b>	<b>30.79</b>	<b>1,160.31</b>
Forex Adjustment	-	-	(0.60)	(1.31)	-	-	(0.35)	(0.19)	-	(2.45)
Adjusted with General Reserves (Refer note 3)	-	-	0.02	2.45	-	1.15	0.15	0.08	0.11	3.96
Charge for the year	-	0.48	12.26	111.17	14.34	2.12	0.94	1.25	3.66	146.22
Disposals	-	-	0.32	20.25	3.37	0.13	0.36	2.11	0.71	27.25
<b>As at March 31, 2015</b>	<b>-</b>	<b>4.40</b>	<b>151.77</b>	<b>939.59</b>	<b>99.88</b>	<b>20.03</b>	<b>20.41</b>	<b>10.86</b>	<b>33.85</b>	<b>1,280.79</b>
<b>Net Block</b>										
As at March 31, 2014	43.52	30.32	236.22	684.08	66.22	6.21	3.33	2.00	7.85	1,079.75
<b>As at March 31, 2015</b>	<b>43.32</b>	<b>29.84</b>	<b>246.53(d)</b>	<b>754.04</b>	<b>76.45</b>	<b>6.75</b>	<b>3.60</b>	<b>2.90(e)</b>	<b>12.53</b>	<b>1,175.96</b>

- a. Conveyance deeds for certain immovable properties valued at Rs. 3.77 Crores (Rs. 3.77 Crores) are pending execution.
- b. Includes Rs. 0.10 Crores (Rs. 0.10 Crores) being the cost of shares in Co-operative Housing Societies.
- c. The details of fixed assets revalued have been given below :

Name of the Company	Year of Revaluation	Assets revalued
EIL	1991 and 1999	Land, Building and Plant & Machinery
CPSSL	2007	Land, Building and Plant & Machinery
CAIL	2008	Land, Building and Plant & Machinery
CBSEA	1992	Land, Building and Plant & Machinery
ABWL	1990/1991	Land and Building
CML	2008	Land, Building and Plant & Machinery

The revaluation was carried out by approved valuers and the surplus arising thereon, has been transferred to Revaluation Reserve.

- d. Includes leasehold buildings Rs. 7.02 Crores (PY Rs. 7.85 Crores) and leasehold improvement Rs. 1.87 Crores (PY Rs. 2.51 Crores)
- e. Includes motor vehicles held under hire purchase contract Rs. 0.84 Crores (PY Rs. 0.37 Crores)
- f. Details of Expenditure of New / Expansion Projects of EIL (Pending allocation and lying in Capital work in progress)

	As at March 31, 2015	As at March 31, 2014
Balance brought forward from previous year	-	-
Salaries, Wages & Bonus	0.44	-
Travelling expenses	0.44	-
	0.88	-
Less : Allocated to Fixed Assets during the year	0.28	-
	<b>0.60</b>	-

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 16 INTANGIBLE ASSETS

	(Rs. in Crores)			
	Goodwill	Trade Mark	Computer Software	Total
<b>Cost</b>				
As at April 1, 2013	12.13	1.57	31.13	44.83
Additions	-	-	13.09	13.09
As at March 31, 2014	<b>12.13</b>	<b>1.57</b>	<b>44.22</b>	<b>57.92</b>
<b>Additions</b>				
	-	2.63	5.37	8.00
Disposals	-	-	0.33	0.33
<b>As at March 31, 2015</b>	<b>12.13</b>	<b>4.20</b>	<b>49.26</b>	<b>65.59</b>
<b>Amortization</b>				
As at April 1, 2013	<b>3.78</b>	<b>0.16</b>	<b>21.27</b>	<b>25.21</b>
Charge for the year	2.22	0.32	5.70	8.24
As at March 31, 2014	<b>6.00</b>	<b>0.48</b>	<b>26.97</b>	<b>33.45</b>
Charge for the year	2.23	0.62	6.25	9.10
Disposals	-	-	0.33	0.33
<b>As at March 31, 2015</b>	<b>8.23</b>	<b>1.10</b>	<b>32.89</b>	<b>42.22</b>
<b>Net Block</b>				
As at March 31, 2014	6.13	1.09	17.25	24.47
<b>As at March 31, 2015</b>	<b>3.90</b>	<b>3.10</b>	<b>16.37</b>	<b>23.37</b>

## 17 GOODWILL ON CONSOLIDATION

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Balance as per Last Account	581.90	581.90
Based on the past share valuation of ELI, coupled with improvement in the profitability in the current year and the profitable operations of all other subsidiaries, the company has concluded that there is no impairment of Goodwill arising on consolidation		

## NON-CURRENT INVESTMENTS

### 18 INVESTMENTS OF LIFE INSURANCE BUSINESS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>i) Shareholders' Investments (valued at cost unless specified otherwise)</b>		
<b>Quoted (Trade)</b>		
Investment in Government or Trust Securities	332.74	251.85
Debentures/Bonds	129.89	96.95
	<b>462.63</b>	<b>348.80</b>





# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## ii) Policyholders' Investments (valued at cost unless otherwise specified)

### Quoted (Trade)

Investment in

Equity instruments (at market value)	277.00	192.78
Government or Trust Securities	2,991.95	2,428.66
Debentures/Bonds	2,025.57	1,789.63

**5,294.52** **4,411.07**

### Unquoted (Trade)

Other Securities (Policy Loan)

67.20 \* -

**5,824.35** **4,759.87**

Aggregate value of quoted investments (Market value Rs. 6,036.05 Crores (PY Rs. 4,576.78 Crores))

5,757.15 4,759.87

Aggregate value of Un quoted investments

67.20 -

\* Policy Loan (par) of Rs. 67.20 Crores (for the current financial year) is excluded from Note 21 and disclosed under note 18

## 19 OTHER INVESTMENTS (VALUED AT COST UNLESS STATED OTHERWISE)

(Rs. in Crores)

	As at March 31, 2015	As at March 31, 2014
<b>Trade (unquoted)</b>		
<b>Government Securities</b>		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
<b>Non Trade</b>		
<b>Unquoted, At Cost</b>		
Investments in debenture/bonds	- ^	-
<b>Others</b>		
Faering Capital (180,716 units of Rs. 1000 each (PY 76,901 units))	18.07	7.69
Haldia Integrated Development Agency Ltd (500,000 units of Rs. 10 each (PY 500,000 units))	0.50	0.50
Brown Group Motels Ltd. Nil (PY 20,000 shares))	-	0.01
Suryadev Alloys (2,500 shares of Rs. 10 each (nil))	0.03	-
<b>Quoted</b>		
<b>Equity Shares, Fully Paid Up</b>		
Hathway Cable and Datacom Limited (1,092,566 shares of Rs. 10 each (PY 1,092,566))	26.22	26.22
	<b>44.83</b>	<b>34.43</b>
(i) Aggregate value of unquoted investments -	18.61	8.21
(ii) Aggregate value of quoted investments (Market value Rs. 27.80 Crores (PY Rs. 29.42 Crores))	26.22	26.22
(iii) ^ Figures being less than Rs. 50,000 in each case, has not been disclosed.		

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 20 ASSETS HELD TO COVER LINKED LIABILITIES OF LIFE INSURANCE BUSINESS (VALUED AT MARKET VALUE)

(Rs. in Crores)		
	As at March 31, 2015	As at March 31, 2014
<b>Non-current, quoted, trade investments in</b>		
Equity Instruments	1,531.03	1,512.50
Government or Trust Securities	334.76	384.41
Debentures/Bonds	335.80	388.44
	<b>2,201.59</b>	<b>2,285.35</b>
Aggregate market value of quoted investments (Market value Rs. 2,201.59 Crores (PY Rs. 2285.35 Crores))	2,201.59	2,285.35

## 21 LONG-TERM LOANS AND ADVANCES

(Rs. in Crores)		
	As at March 31, 2015	As at March 31, 2014
<b>i) Unsecured considered good, unless otherwise stated</b>		
a) Capital advances	61.78	14.07
b) Deposit - Others	30.69	24.96
c) Prepaid expenses	6.46	8.19
d) Advance Payment of Income Tax (net of Provisions) (including MAT credit entitlement)	56.04	37.53
e) Loans against Insurance Policy (secured) *	15.43	46.70
f) Balances with Customs, Sales Tax & Excise Authorities	26.75	-
g) Loans and advances to others	1.32	0.01
h) Loans to employees	0.58	0.22
<b>ii) Unsecured considered doubtful</b>		
a) Advances recoverable in cash or kind	5.02	5.31
b) Balances with Customs, Sales Tax & Excise Authorities	2.13	1.07
c) Deposit - Others	-	0.10
	206.20	138.16
Less: Provision for doubtful deposits and advances	7.15	6.48
	<b>199.05</b>	<b>131.68</b>

\* Policy Loan (par) of Rs. 67.20 Crores (for the current financial year) is excluded from Note 21 and disclosed under note 18

## 22 OTHER NON-CURRENT ASSETS

(Rs. in Crores)		
	As at March 31, 2015	As at March 31, 2014
<b>Unsecured, Considered good unless stated otherwise</b>		
a) Trade Receivables	1.29	1.20
b) Others	0.05	3.07
	<b>1.34</b>	<b>4.27</b>
Trade receivables represents portion of Receivables which are recoverable after more than 12 months from the Balance Sheet date.		



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## CURRENT ASSETS

### CURRENT INVESTMENTS

#### 23 INVESTMENTS OF LIFE INSURANCE BUSINESS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>i) Shareholders' Investments (valued at cost unless otherwise specified)</b>		
<b>Quoted (Trade)</b>		
Investment in		
Government or Trust Securities	80.71	2.70
Debentures/Bonds	30.38	-
Mutual Fund (at market value)	84.05	133.60
	<b>195.14</b>	<b>136.30</b>
<b>ii) Policyholders' Investments (valued at cost unless otherwise specified)</b>		
<b>Quoted (Trade)</b>		
Investment in		
Government or Trust Securities	14.38	0.98
Debentures/Bonds	67.82	17.50
Mutual Fund (at market value)	52.30	75.41
Certificate of deposits	0.70	-
	<b>135.20</b>	<b>93.89</b>
	<b>330.34</b>	<b>230.19</b>
Aggregate value of quoted investments (Market value Rs. 332.59 Crores (PY Rs. 229.91 Crores))	330.34	230.19

#### 24 OTHER INVESTMENTS (AT LOWER OF COST AND FAIR VALUE)

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>Units of mutual fund (Non Trade)</b>		
Unquoted	148.56	379.33
	<b>148.56</b>	<b>379.33</b>
Aggregate value of unquoted investments	148.56	379.33

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 25 ASSETS HELD TO COVER LINKED LIABILITIES OF LIFE INSURANCE BUSINESS (VALUED AT MARKET VALUE)

(Rs. in Crores)		
	As at March 31, 2015	As at March 31, 2014
<b>Current, quoted, trade investments in</b>		
Government or Trust Securities	129.62	78.95
Debentures/Bonds	8.46	35.61
Mutual Fund	79.64	83.98
Certificate of deposits	21.68	1.90
	<b>239.40</b>	<b>200.44</b>
<b>Other current assets</b>		
Bank balances	1.98	1.69
Interest and dividend accrued on investments	24.24	27.24
Outstanding contracts (net)	1.59	9.50
	<b>27.81</b>	<b>38.43</b>
	<b>267.21</b>	<b>238.87</b>
Aggregate value of quoted investments (Market value Rs. 239.40 Crores (PY Rs. 200.44 Crores))	239.40	200.44

## 26 INVENTORIES

(Rs. in Crores)		
	As at March 31, 2015	As at March 31, 2014
<b>(At Lower of cost and net realisable value)</b>		
a) Stores, spare parts, loose tools etc	29.80	25.79
b) Raw materials and components [Including in transit Rs.66.62 Crores (PY Rs.177.17 Crores)]	464.07	413.60
c) Work-in-progress	491.49	361.29
d) Finished goods	540.12	435.80
Add Excise Duty	98.80	59.80
e) Trading Goods including in transit Rs. 0.17 Crores (PY Rs. nil)	22.08	6.58
	<b>1,646.36</b>	<b>1,302.86</b>



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 27 TRADE RECEIVABLES (UNSECURED)

		(Rs. in Crores)	
		As at March 31, 2015	As at March 31, 2014
a)	Outstanding for a period exceeding six months from the date they are due for payment		
	Considered good	26.86	18.82
	Doubtful	11.08	2.41
		37.94	21.23
	Less :- Provision for doubtful debts	11.08	2.41
		<b>26.86</b>	<b>18.82</b>
b)	Other Debts		
	Considered good	663.29	639.60
		<b>663.29</b>	<b>639.60</b>
		<b>690.15</b>	<b>658.42</b>

## 28 CASH AND BANK BALANCE

		(Rs. in Crores)	
		As at March 31, 2015	As at March 31, 2014
<b>Cash and Cash Equivalents</b>			
a)	Balances with banks on		
	Current / Cash Credit Account	162.54	249.48
	Deposit having original maturity of three months or less	0.02	0.01
b)	Cheques, drafts in hand	29.56	23.53
c)	Cash in hand	9.15	8.69
d)	Unpaid Dividend Account	6.20	5.11
		<b>207.47</b>	<b>286.82</b>

## 29 SHORT-TERM LOANS AND ADVANCES

		(Rs. in Crores)	
		As at March 31, 2015	As at March 31, 2014
<b>Unsecured, Considered good</b>			
a)	Advances recoverable in cash or kind	42.08	32.17
b)	Prepaid Expenses	14.18	14.38
c)	Balances with Customs, Sales Tax & Excise Authorities	29.94	17.25
d)	Deposits - Others	11.38	10.79
e)	Loans to employees	3.10	1.54
		<b>100.68</b>	<b>76.13</b>

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 30 OTHER CURRENT ASSETS

		(Rs. in Crores)	
		As at March 31, 2015	As at March 31, 2014
<b>Unsecured, Considered good</b>			
a)	Interest accrued on deposits and others	151.41	125.05
b)	Others - related to life insurance business*	178.21	231.77
		<b>329.62</b>	<b>356.82</b>
* Comprises of :			
	Investment Held to meet Policy holders dues/Claims	125.58	179.95
	Unit subscription Receivable-Policyholder	26.05	35.53
	Due from employee on termination	3.13	3.82
	Others	23.45	12.47
		<b>178.21</b>	<b>231.77</b>

## 31 REVENUE FROM OPERATIONS

		(Rs. in Crores)	
		As at March 31, 2015	As at March 31, 2014
A	Sale of products		
	Finished Goods	7,882.15	6,997.13
	Traded Goods	50.33	38.55
		7,932.48	7,035.68
	Less: Excise duty	786.11	793.38
		7,146.37	6,242.30
B	Sale of Services		
	Life Insurance premium (net)	2,013.64	1,824.03
C	Other Operating Income		
	Investment Income of Life Insurance Policyholders' Fund related to Non-Linked Business	374.94	242.52
		<b>9,534.95</b>	<b>8,308.85</b>
(i) Sales are net of price adjustments, discounts, trade incentives, VAT, Sales Tax, etc.			
(ii) Excise duty includes Rs. 35.37 Crores (PY Rs. 42.17 Crores) paid on batteries issued towards warranty claims.			
<b>Details of products sold</b>			
<b>Finished goods</b>			
	Storage batteries	7,690.49	6,821.70
	Home UPS Systems	126.26	107.20
	Lead & Lead Alloy	44.96	50.15
	Battery chargers, UPS, etc.	20.44	18.08
		<b>7,882.15</b>	<b>6,997.13</b>
<b>Traded goods</b>			
	Storage batteries	22.88	10.88
	Home UPS Systems	0.22	1.62
	Solar Lanterns and Homelights	27.23	26.05
		<b>50.33</b>	<b>38.55</b>



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 32 OTHER INCOME

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Interest Income on		
Others	2.37	0.84
Interest Income on investments		
Long term	37.13	25.74
Current	6.29	2.22
Dividend Income on current investments	15.83	19.39
Net gain on sale of long term investments	18.42	9.81
Gain on sale of fixed assets	0.65	0.57
Net foreign exchange Gain	0.33	-
Bad debt recovered	0.39	0.04
Income from Service/Installation	3.49	2.30
Other non-operating income	10.25	12.19
	<b>95.15</b>	<b>73.10</b>

## 33 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>Opening Stock</b>	413.60	527.90
Add: Purchases (including Processing charges, Procurement expenses etc, and after adjusting Cenvat Credits)	4,877.95	3,810.55
	<b>5,291.55</b>	<b>4,338.45</b>
<b>Less: Closing Stock</b>	464.07	413.60
	<b>4,827.48</b>	<b>3,924.85</b>
Materials consumed includes warranty costs Rs. 157.57 Crores (PY Rs. 134.34 Crores), export incentives Rs. 7.85 Crores (PY Rs. 4.77 Crores)		

## 34 INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN - PROGRESS AND TRADED GOODS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
<b>Opening Stock</b>		
Work-in-progress	361.29	386.46
Finished goods	435.80	397.28
Traded Goods	6.58	8.17
	<b>803.67</b>	<b>791.91</b>
<b>Closing Stock</b>		
Work-in-progress	491.49	361.29
Finished goods	540.12	435.80
Traded Goods	22.08	6.58
	<b>1,053.69</b>	<b>803.67</b>
(Increase)/Decrease in Excise Duty on Finished Goods	(39.00)	0.07
	<b>(289.02)</b>	<b>(11.69)</b>

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 35 EMPLOYEE BENEFIT EXPENSES

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Salaries and wages	648.39	583.82
Contribution to provident and other funds (Refer Note 42)	45.49	34.78
Staff welfare expenses	67.05	63.52
	<b>760.93</b>	<b>682.12</b>

## 36 FINANCE COSTS

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Interest expenses	2.86	7.53
Other borrowings costs	0.35	0.08
	<b>3.21</b>	<b>7.61</b>

## 37 DEPRECIATION AND AMORTISATION

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Depreciation of tangible assets	146.22	133.71
Amortisation of intangible assets	9.10	8.24
Less: Transfer from revaluation reserve	-	(1.55)
	<b>155.32</b>	<b>140.40</b>

## 38 OTHER EXPENSES

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Stores and spare parts consumed	69.46	61.84
Power and fuel	265.91	258.59
Battery Charging / Battery assembly expenses	126.25	91.30
Repairs and maintenance		
Buildings	13.71	9.24
Plant & machinery	33.62	33.56
Others	18.20	17.19
Rent & Hire Charges (refer Note 46)	62.61	83.26
Rates and taxes	9.94	7.22
Insurance	3.20	3.42
Commission	130.72	134.42
Royalty and Technical Aid Fees	29.70	27.53
Benefits paid to Life Insurance policyholders	1,507.09	1,153.40
Publicity and Sales Promotion	182.54	162.82
Freight & Forwarding (net)	225.40	175.80
Cash Discounts	63.51	55.33
After Sales Services	44.43	40.23





# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
C & F Expenses	26.41	23.05
Travelling & Conveyance	41.03	34.97
Bank Charges	6.11	6.62
Communication Costs	15.12	15.68
Donations	0.21	0.01
Directors' Sitting Fees	0.19	0.08
Loss on Fixed assets sold/discarded	0.91	0.29
Auditors' Remuneration:		
As Auditors		
- For Statutory audit	0.98	0.97
- For Limited Reviews	0.32	0.31
- For Others	0.09	0.07
As Tax Auditors	0.11	0.11
Other Services	0.04	0.19
Out of pocket expenses	0.08	0.09
Bad Debts written off	0.01	0.04
Provision for doubtful debts	7.46	0.10
Provision for doubtful Loans and Advances	-	0.03
Net foreign exchange Loss	-	0.12
Miscellaneous expenses (refer Note 39)	73.62	68.54
	<b>2,958.98</b>	<b>2,466.42</b>

- i) Stores and Spares consumed is exclusive of Rs. 0.27 Crores (PY Rs. 0.33 Crores) being the amounts allocated to other heads of expenses.

## 39 MISCELLANEOUS EXPENSES

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
Motor Vehicle Running Expenses	5.34	5.51
Consultancy & Services outsourced	28.98	24.67
Security Service Charges	10.00	9.53
General Expenses	4.40	3.22
Legal Expenses	3.63	6.35
Printing & Stationery	9.22	9.10
TQM Expenses	0.45	0.27
CSR Expenses	4.02	1.49
Pollution Control Expenses	5.81	6.01
Testing Charges	0.77	0.96
Liquidated Damages	-	0.81
Battery erection / Installation Costs	1.00	0.62
	<b>73.62</b>	<b>68.54</b>

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 40 CHANGE IN VALUATION OF LIABILITY IN RESPECT OF LIFE INSURANCE POLICIES IN FORCE

(Rs. in Crores)		
	As at March 31, 2015	As at March 31, 2014
Surplus/(deficit) in par and unit linked funds adjusted from existing surplus	19.02	2.96
Release from fund for Future Appropriation	(17.35)	-
Change in valuation of liability in respect of life insurance policies in force	939.24	713.95
Investment income on Life Insurance Policyholders' fund related to linked business	(714.38)	(431.75)
	<b>226.53</b>	<b>285.16</b>

## 41 SEGMENT REPORTING

The group's business is organized in three primary business segments, 'Storage Batteries & allied products', 'Solar Lantern & Homelights' and 'Life Insurance business'. Storage batteries & allied products and life insurance business being the only reportable segment. Non reportable segment is shown as others. The products/services included in each of the reported business segments are as follows:

- Storage batteries & allied products - The holding company and some of its subsidiaries manufactures lead acid storage batteries and allied products.
- Life Insurance business - This segment relates to the nation wide life insurance business carried by one of the subsidiaries.

Segment information for the group is as under:

### Business Segments

Year ended March 31, 2015

(Rs. in Crores)				
	Storage Batteries & allied products	Life Insurance Business	Others	Total
<b>Revenue (Gross Sale)</b>	7,905.26	2,388.58	27.22	10,321.06
<b>Segment Results</b>	780.38	61.28	1.54	843.20
Unallocated expenses				-
Operating Profit				843.20
Finance Cost				3.21
Other income including finance income				33.54
<b>Profit before tax</b>				873.53
Income taxes				257.20
<b>Profit after tax</b>				616.33
As at March 31, 2015				
Segment assets	3,777.28	8,618.64	2.33	12,398.25
Unallocated assets				1,489.10



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

	(Rs. in Crores)			
	Storage Batteries & allied products	Life Insurance Business	Others	Total
<b>Total assets</b>				<b>13,887.35</b>
Segment liabilities	1,437.91	8,535.19	6.46	9,979.56
Unallocated liabilities				53.97
<b>Total liabilities</b>				<b>10,033.53</b>
<b>Other Segment information</b>				
Capital expenditure:				
Tangible assets	349.86	-	-	349.86
Intangible assets	8.01	-	-	8.01
Depreciation	143.00	3.08	0.14	146.22
Amortization	6.96	2.14	-	9.10

## Year ended March 31, 2014

	(Rs. in Crores)			
	Storage Batteries & allied products	Life Insurance Business	Others	Total
<b>Revenue (Gross Sale)</b>	7,009.64	2,066.55	26.04	9,102.23
<b>Segment Results</b>	718.44	45.49	2.78	766.71
Unallocated expenses				-
Operating Profit				766.71
Finance Cost				7.61
Other income including finance income				27.61
<b>Profit before tax</b>				786.71
Income taxes				240.55
<b>Profit after tax</b>				546.16
As at March 31, 2014				
Segment assets	3,315.38	7,696.32	1.43	11,013.13
Unallocated assets				1,480.75
<b>Total assets</b>				<b>12,493.88</b>
Segment liabilities	1,349.10	7,651.39	6.85	9,007.34
Unallocated liabilities				15.20
<b>Total liabilities</b>				<b>9,022.54</b>
<b>Other Segment information</b>				
Capital expenditure:				
Tangible assets	254.62	-	-	254.62
Intangible assets	13.09	-	-	13.09
Depreciation	129.08	3.02	0.06	132.16
Amortization	5.75	2.49	-	8.24
Other non-cash expenses				

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## Geographical Segments

The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas operations as under:

### Year ended March 31, 2015

	(Rs. in Crores)		
	India	Overseas	Total
Revenue (Gross Sale)	10,040.82	280.24	10,321.06
Other Segment information :			
Segment assets	12,226.03	172.22	12,398.25
Unallocated assets			1,489.10
Additions :			
Tangible assets	342.79	7.07	349.86
Intangible assets	8.01	-	8.01

### Year ended March 31, 2014

	(Rs. in Crores)		
	India	Overseas	Total
Revenue (Gross Sale)	8,612.95	489.28	9,102.23
Other Segment information :			
Segment assets	10,772.60	240.53	11,013.13
Unallocated assets			1,480.75
Additions :			
Tangible assets	249.99	4.63	254.62
Intangible assets	13.09	-	13.09

## 42 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

- i) The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.
- ii) The Group provides certain post-retirement medical benefits (PRMB) to the employees qualifying for such benefits under the scheme upto March 31, 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.
- iii) The Group has a Pension plan, a part of the liability whereof upto March 31, 2003 is in the nature of a defined benefit plan. From April 1, 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance company.
- iv) The Group also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

(Rs. in Crores)

	For the year ended March 31, 2015			For the year ended March 31, 2014		
	Gratuity	Pension Plan (Benefit)	PRMB	Gratuity	Pension Plan (Benefit)	PRMB
<b>I Expenses recognised in the statement of Profit &amp; Loss Account</b>						
1 Current / Past Service Cost	5.76	-	0.08	6.74	-	0.06
2 Interest Cost	5.59	0.49	0.32	5.09	0.54	0.29
3 Expected Return on plan assets	5.87	0.34	-	5.40	0.43	-
4 Actuarial (Gains) / Losses	6.36	(0.04)	0.45	(2.88)	(0.74)	(0.09)
5 Total Expense	11.84	0.11	0.85	3.55	(0.63)	0.26
<b>II Net Asset / (Liability) recognised in the Balance Sheet</b>						
1 Present Value of Defined Benefit Obligation	78.05	5.77	4.37	66.75	5.82	3.70
2 Fair Value of Plan Assets	74.44	3.74	-	66.26	4.47	-
3 Net Asset / (Liability)	(3.61)	(2.03)	(4.37)	(0.49)	(1.35)	(3.70)
<b>III Change in Obligation during the year</b>						
1 Present Value of Defined Benefit Obligation at the beginning of the year	66.75	5.82	3.70	66.66	7.26	3.61
2 Current Service Cost / Plan amendments	5.84	-	0.08	6.73	-	0.06
3 Interest Cost	5.59	0.49	0.32	5.09	0.54	0.29
4 Benefits Paid	6.27	0.41	0.18	9.27	1.36	0.17
5 Actuarial (Gains) / Losses	6.14	(0.13)	0.45	(2.46)	(0.62)	(0.09)
6 Present Value of Defined Benefit Obligation at the end of the year	78.05	5.77	4.37	66.75	5.82	3.70
<b>IV Change in the Fair Value of Plan Assets during the year</b>						
1 Plan assets at the beginning of the year	66.26	4.47	-	64.02	6.13	-
2 Expected return on plan assets	5.87	0.34	-	5.38	0.44	-
3 Contribution by employer	8.83	(0.57)	0.18	5.69	(0.85)	0.16
4 Actual Benefits Paid	6.28	0.41	0.18	9.26	1.36	0.16
5 Actuarial Gains / (Losses)	(0.23)	(0.09)	-	0.42	0.11	-
6 Plan assets at the end of the year	74.44	3.74	-	66.26	4.47	-
7 Actual return on Plan Assets	5.64	0.25	-	5.80	0.55	-
<b>V</b> In 2015-16 EIL expects to contribute Rs. 5.00 Crores (Rs. 4.00 Crores) to gratuity and Rs. 3.50 Crores (Rs. 2.00 Crores) to Pension.						
<b>VI The major categories of plan assets as a percentage of the fair value of total plan assets</b>						
Investments with insurer	100%	100%	-	100%	100%	-

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

		(Rs. in Crores)				
VII	Actuarial Assumptions	EIL	CML	CPSSL	CAIL	ELI
1	Discount Rate	8.00 % p.a (8.75 %)	8.00% p.a (8.50%)	8.00% p.a (8.50%)	8.00% p.a (8.50%)	7.80% p.a (8.90%)
2	Expected rate of return on plan assets	9.00 % p a (9.00%)	Unfunded	9.00% p.a (8.25%)	Unfunded	7.25% p.a (7.25%)
3	Mortality pre retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult.				
4	Mortality post retirement	LIC (1994-96) Ultimate				
5	Employee Turnover Rate	2.00% (2.00%)	2.00% (2.00%)	2.00% (0 % to 4.20 %)	2.00% (2.00% - 5%)	First 3 yrs - 8% thereafter -6%

**VIII** Healthcare cost trend rates have no effect on the amounts recognised in the statement of profit and loss account, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change.

**IX** The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**X** Contribution to Provident and Other Funds includes Rs. 30.58 Crores (Rs. 28.41 Crores) paid towards Defined Contribution Plans

**XI** The above disclosures are made for all the Indian companies within the Group.

## Gratuity and Other Post employment Benefit Plans

		(Rs. in Crores)				
XII	Amounts for the current and previous four periods are as follows :	Year ended March 2015	Year ended March 2014	Year ended March 2013	Year ended March 2012	Year ended March 2011
1	Gratuity					
	Defined Benefit Obligation	78.05	66.75	66.66	49.43	47.96
	Plan Assets	74.44	66.26	64.02	50.27	45.27
	Surplus / (deficit)	(3.61)	(0.49)	(2.64)	0.84	(2.69)
	Experience Gain / (loss) adjustments on plan liabilities	(2.10)	(1.34)	(3.07)	(0.57)	(2.87)
	Experience Gain / (loss) adjustments on plan assets	(1.05)	0.28	(0.11)	0.09	0.30
2	Pension					
	Defined Benefit Obligation	5.77	5.82	7.26	7.25	7.17
	Plan Assets	3.74	4.47	6.13	8.65	9.51
	Surplus / (deficit)	(2.03)	(1.35)	(1.13)	1.40	2.34
	Experience Gain / (loss) adjustments on plan liabilities	0.26	0.54	0.49	0.19	0.61
	Experience Gain / (loss) adjustments on plan assets	(0.09)	0.12	0.01	0.07	0.09



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

		(Rs. in Crores)				
<b>XII</b>	<b>Amounts for the current and previous four periods are as follows :</b>	<b>Year ended March 2015</b>	<b>Year ended March 2014</b>	<b>Year ended March 2013</b>	<b>Year ended March 2012</b>	<b>Year ended March 2011</b>
3	Post Retirement Medical Benefit Defined Benefit Obligation	4.37	3.70	3.61	3.51	3.59
	Experience Gain / (loss) adjustments on plan liabilities	(0.20)	(0.06)	0.21	0.16	(0.55)

## 43 RELATED PARTY DISCLOSURE:

### i) Particulars of related parties :

1.	Enterprise / Individuals having a direct or indirect control over the Group	Chloride Eastern Limited, UK. (CEL) Chloride Eastern Industries Pte Limited, Singapore (CEIL) LIEC Holdings SA, Switzerland Mr. S. B. Raheja Brown & Company PLC Standard Finance Ltd.	} Control over EIL } Control over EIL } Control over EIL } Control over EIL } Control over ABML } Control over ABML
2.	Key Management Personnel (As on March 31, 2015)	Mr. P. K. Katakya Mr. G. Chatterjee Mr. A. K. Mukherjee Mr. Nadeem Kazim Mr. Subir Chakraborty Mr. Supriya Coomer Mr. Winston Wong Mr. Samyajit Chaudhury Mr. M. Ramachandran Mr. A. Ghosal Mr. Jahar Sengupta Mr. Sourav Ghosh Mr. U. B. Agarwal Mr. Kshitij Jain	EIL EIL EIL EIL EIL EIL CBSEA CBSEA ABML Espex CPSSL CML CAIL ELI
3.	Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year.	Shalini Construction Company Private Limited Peninsula Estates Private Limited Raheja QBE General Insurance Company Limited Klevenberg (Pvt) limited Browns Thermal Engineering (Pvt) Limited	

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## ii) Details of transactions entered into with the related parties :

(Rs. in Crores)

	Enterprise/Individuals having direct or indirect control		Key Management Personnel	Companies / firms in which directors / their relatives are interested		Total	
	Transaction Value	Balance Outstanding as on 31st March 2015	Transaction Value	Transaction Value	Balance Outstanding as on March 31, 2015	Transaction Value	Balance Outstanding as on March 31, 2015
Purchases of goods - -Browns Thermal Engineering (Pvt) Limited				3.51 (5.62)	0.47 (1.04)	3.51 (5.62)	0.47 (1.04)
Sale of goods - Brown & company PLC	75.90 (75.54)	14.13 (13.49)				75.90 (75.54)	14.13 (13.49)
-Klevenberg (Pvt) limited				14.80 (26.43)	2.33 (2.46)	14.80 (26.43)	2.33 (2.46)
Technical Assistance Expenses - CEIL	0.12 (0.12)	-	-			0.12 (0.12)	-
Trade Mark Expenses - CEIL	0.02 (0.01)	-	-			0.02 (0.01)	-
Dividend paid - Standard Finance Ltd.	0.61 (1.32)	-	-			0.61 (1.32)	-
Rent and Maintenance Costs - - Shalini Construction				0.41 (0.41)		0.41 (0.41)	
- Peninsula Estates				0.10 (0.10)		0.10 (0.10)	
Insurance Expenses - Raheja QBE				0.05 (0.05)		0.05 (0.05)	
Rental Income - CEIL	0.06 (0.06)	-	-			0.06 (0.06)	-
Remuneration to Directors	-	-	15.89 (11.92)			15.89 (11.92)	5.15 (3.89)
to Others	-	-	3.47 (3.44)			3.47 (3.44)	-
<b>Total</b>	-	-	15.36 (15.26)			15.36 (15.26)	5.15 (3.89)

(Figure in bracket represents previous year figures)





# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 44 ACTUARIAL METHOD AND ASSUMPTIONS FOR THE LIFE INSURANCE BUSINESS

Liability for policies in force ('the Liability') is determined by the Appointed Actuary in accordance with generally accepted actuarial practice as well as the requirements of the Insurance Act, 1938 and the regulations notified by IRDA and relevant actuarial practice standards issued by Institute of Actuaries of India.

### (a) Traditional Individual Business

The Liability on a policy is calculated based using the 'Gross Premium Method', representing the present value of expected future outgo including benefits (including future bonuses for participating policies) and future expenses less present value of expected future premium. Further, a reserve for death claims that may have been incurred but are not yet reported to the Company (IBNR) is also maintained. The reserves for the Best Years Retirement Plan, Exide Life New Best Year Retirement Plan and Exide Life Assured Return have been set up as the sum of the policy fund balances as at March 31, 2015 plus additional reserves for excess of expenses over policy charges.

The assumptions used for calculating the liability are provided below:

#### i. Mortality & Morbidity:

Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate and varies between 99% and 217.5% of the table (last year 99% and 217% of Indian Assured Lives Mortality Table (2006-08)). Morbidity assumption is based on the CIBT 93 Table. For term products, mortality assumption varies between 51% - 145% of the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate (Last Year mortality assumptions for term products were 51%-145% of the Indian Assured Lives Mortality Table (2006-08)).

#### ii. Expenses:

Appropriate allowance for maintenance expenses increasing with inflation has been

made. Provision for initial and renewal commission has been made at actual rates payable.

#### iii. Valuation discount rate:

Between 5.5% to 6.75% p.a. for all products (Last Year between 5.5% to 6.5% p.a. for all products)

Assumptions on future bonus rates for participating business have been set to be consistent with valuation interest rate assumptions.

#### iv. Lapses:

Future policy lapses have been assumed based on the type of policy and the duration for which the policy has been in force. The lapse rates are based on current experience of the company.

#### Margins for Adverse Deviation

The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations and actuarial practice standards issued by The Institute of Actuaries of India.

### (b) Linked Individual Business

The reserves held under the unit-linked products are the fund balances (unit reserve) as at March 31, 2015 plus non-unit reserves. Additional adjustments have also been made to allow for the following:

- a. Unearned Premium Reserve in respect of mortality charge/rider charge deducted from the policyholder's account every month.
- b. IBNR reserve for death claims incurred but not reported to company as on the valuation date.
- c. Reserve to meet the guarantees for unit linked products.

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

d. Non Unit reserves are calculated by discounting future non unit cash flow, determined based on assumptions given below:

**i. Mortality & Morbidity:**

Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate and varies between 99% and 145% (varies by age), (last year 99% and 145% (varies by age) of Indian Assured Lives Mortality Table (2006-08) of the table).

**ii. Expenses:**

Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has also been made at actual rates payable.

**iii. Valuation discount rate (for setting up of Non unit reserve):**

4.5% p.a. (last year 4.5% p.a.)

**iv. Unit growth rate:**

4% to 10% (last year 4% to 10%) depending on the type of fund Margins for Adverse Deviation. The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations.

**(c) Group Business**

Unearned Premium method for reserving is adopted for the Group yearly renewable term product. The Group Single Premium Mortgage/ Credit products have been valued using the Gross Premium Method with allowance for future expected expenses. Provision for IBNR reserve has also been made as appropriate.

**(d) Linked group business**

The reserves held under the unit-linked products are the fund balances as at March 31, 2015.

**(e) Reinsurance Credit**

The reinsurance credit is calculated on unearned premium basis, based on the expected reinsurance premium outgo.

**45 INVESTMENTS OF LIFE INSURANCE BUSINESS**

The Company is maintaining separate funds for Shareholders and Policyholders as per Section 11 (1B) of the Insurance Act, 1938. Investments and related incomes are segregated between Participating, Non Participating, Unit Linked, Annuity and Pension funds. In respect of policyholder funds, the allocation of cash / securities to policyholder is done on a daily basis.

Investments under Section 7 of the Insurance Act, 1938 are in "8.20% GSEC 12-02-2024 OIL BOND (Face Value Rs. 121,091)" having Book Value of Rs. 11.93 Crores and Market Value Rs. 12.32 Crores.

As on March 31, 2015, none of the investments of the Company have been classified as non-performing as per the income recognition norms issued by the IRDA.

As on March 31, 2015, none of the investments of the Company have been classified / categorised in the definition of Loans & Advances as per circular no 32/2/F&A/Circular/169/Jan/2006-07. In view of this, the company has not made any provisions.

**46 OPERATING LEASE COMMITMENTS**

Rent and Hire charges include Rs. 58.65 Crores (PY Rs. 80.02 Crores) towards lease of residential apartments, Office premises and Godowns. These are cancellable leases, renewable by mutual agreement. The lease term is for various number of years and renewable for further periods as per the lease agreements at the option of the company. In lease agreements, escalation clauses are present; however there are no restrictions imposed by the lease arrangements. There are no sub-leases.



# NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

The future minimum lease amounts under non-cancellable operating lease in case of CML, CAIL, CBSEA, ESPEX and ELI are payable as follows:

	(Rs. in Crores)	
	2014-15	2013-14
Not later than one financial year	35.95	38.57
Later than one financial year but not later than five financial years	121.01	73.92
Later than five financial years	81.51	30.28

### 47 EARNINGS PER SHARE (EPS)

	(Rs. in Crores)	
	2014-15	2013-14
Details for calculation of basic and diluted earning per share:		
Profit after tax and Minority interest	614.55	544.66
Weighted average number of equity share (Numbers)	850,000,000	850,000,000
Basic and diluted earning per share (Rs.)	7.23	6.41

### 48 A. UNHEDGED FOREIGN CURRENCY EXPOSURE

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
The following assets and liabilities in foreign currencies as at the Balance Sheet Date are not hedged		
Trade Receivables	43.07	8.28
Dividend and Technical fees receivable	0.11	0.11
Trade Payables for goods & Services	99.66	122.51
Buyers' Credit	33.28	-
	<b>176.12</b>	<b>130.90</b>

### B. HEDGED FOREIGN CURRENCY EXPOSURE

	(Rs. in Crores)	
	As at March 31, 2015	As at March 31, 2014
The following liability in foreign currencies as at the Balance Sheet Date is hedged		
Buyers' Credit (USD 12,93,771 (PY USD 3,70,359))- Forward Contract	8.02	2.30
	<b>8.02</b>	<b>2.30</b>

# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

## 49 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

(Rs. in Crores)

	As at March 31, 2015	As at March 31, 2014
Principal amount due	9.28	14.69
Interest due on above	0.19	0.11
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	0.04	0.01
Amount of interest due and payable for the period of delay	0.19	0.11
Amount of interest accrued and remaining unpaid as at year end	0.29	0.14
Amount of further interest remaining due and payable in the succeeding year	-	-

## 50 CAPITAL AND OTHER COMMITMENTS

(Rs. in Crores)

	As at March 31, 2015	As at March 31, 2014
Commitment for acquisition of fixed assets	395.63	121.89
Commitment for investment	1.27	12.31
Other Commitments	71.68	17.00
	<b>468.58</b>	<b>151.20</b>

## 51 CONTINGENT LIABILITIES

(Rs. in Crores)

	As at March 31, 2015	As at March 31, 2014
Outstanding Bank Guarantees / Indemnity Bonds	29.68	19.43
Sales Tax demands	34.18	18.17
Excise Duty demands*	34.87	34.53
Service Tax demands**	246.81	231.23
Income Tax demands	16.6	6.96
Other claims being disputed #	0.44	0.44
Other Contractual Obligation	12.52	8.77
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	<b>375.10</b>	<b>319.53</b>

\* Includes a Demand of Rs. 32.60 Crores plus penalties, as applicable, for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries. The Company has contested applicability of The Standards of Weights & Measures Act, 1976 and Rules there under, as it is still to be adjudicated by the Hon'ble Supreme Court. Meanwhile, Company has been granted a stay on this Excise Duty demand by CESTAT, Kolkata.

\*\*

- a) ELI has received three demand orders on December 28, 2012 from the Office of the Commissioner of Service tax with respect to excess utilisation of CENVAT credit for payments of service tax liability for the financial years 2008-09, 2009-10 & 2010-11 amounting to Rs. 231.23 Crores. The authority has also demanded applicable



# NOTES

## to the Consolidated Financial Statements as at and for the year ended March 31, 2015

interest for delay in payment of the service tax and an amount equivalent to the service tax demand as penalty. ELI has made a deposit of Rs. 17.00 Crores on May 26, 2014 in respect of the above demands based on the stay order passed by CESTAT on April 1, 2014. The main matter is pending for hearing.

- b) ELI has received a demand order from Service Tax department on June 3, 2014 for Rs. 3.23 Crores for the month of April 2011 along with applicable interest & penalty, with respect to availment of CENVAT credit and taxability of life insurance services. The company has filed the appeal before the Appellate Tribunal (CESTAT) against the order on August 4, 2014.
- c) ELI has received a demand order of Rs. 12.35 Crores along with interest & penalty on December 24, 2014 from DGCEI with respect to sales promotion and agent training expenses from the FY 2008 to 2013. The company has made a pre-deposit of Rs. 0.93 Crores (7.5%) along with the appeal filed before the Appellate Tribunal (CESTAT) against the order on March 20, 2015

# ABML - a case has been filed against ABML with respect of the Public Nuisance and the Case is based on the Public Nuisance caused by the impact to the environment as a result of dumping of wastes of ABML at a remote area in Kalatura. The management of ABML is of the view that the outcome of the litigation may not course any adverse financial impact on ABML.

# CPSSL - CPSSL has preferred an appeal u/s 34 of the Arbitration Act, 1996, praying an order to set aside the award dated 20.09.2008 passed by Andhra Pradesh Micro & Small Enterprise facilitation council amounting to Rs. 0.54 Crores in favour of M/S Infinity E V Motors Pvt Ltd, Hyderabad. CPSSL expects a favourable decision in its favour and no liability is expected to arise in this case.



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

52 Additional information in respect of net assets and profit / loss of each entity within the Group and their proportionate share of the totals

Name of the entity	As at March 31, 2015			2014-15			As at March 31, 2014			2013-14		
	As % of Consolidated net assets	Amount (Rs. Crores)	Share in Profit or Loss	As % of Consolidated net assets	Amount (Rs. Crores)	Share in Profit or Loss	As % of Consolidated net assets	Amount (Rs. Crores)	Share in Profit or Loss	As % of Consolidated net assets	Amount (Rs. Crores)	Share in Profit or Loss
<b>Parent</b>												
Exide Industries Limited	60.94%	2,340.76	88.70%	545.08	62.54%	2,163.67	88.33%	481.08				
<b>Subsidiaries</b>												
<b>Indian</b>												
Chloride International Limited (CIL)	0.16%	6.12	0.07%	0.41	0.17%	6.04	0.07%	0.38				
Chloride Power Systems & Solutions Ltd. (CPSSL) (Formerly Caldine Automatics Ltd.)	0.35%	13.31	0.69%	4.21	0.34%	11.63	1.01%	5.52				
Chloride Metals Ltd. (CML) (Formerly Tandon Metals Ltd.)	1.30%	49.86	0.06%	0.37	1.43%	49.54	-0.35%	(1.88)				
Chloride Alloys India Ltd. (CAIL) (Formerly Leadage Alloys India Ltd.)	2.04%	78.54	0.59%	3.60	2.22%	76.89	0.58%	3.14				
Exide Life Insurance Company Limited (ELI) (wef March 22, 2013)	33.23%	1,276.35	10.62%	65.26	30.79%	1,065.15	9.74%	53.03				
<b>Foreign</b>												
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	1.42%	54.53	-1.31%	(8.04)	1.88%	65.18	0.07%	0.39				
Espe Batteries Limited (ESPEX) (wholly owned subsidiary wef April 1, 2012)	0.11%	4.25	0.13%	0.82	0.12%	4.06	0.11%	0.61				
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	0.45%	17.32	0.46%	2.84	0.51%	17.50	0.44%	2.39				
<b>Total</b>	<b>100.00%</b>	<b>3,841.04</b>	<b>100.00%</b>	<b>614.55</b>	<b>100.00%</b>	<b>3,459.66</b>	<b>100.00%</b>	<b>544.66</b>				



# NOTES

to the Consolidated Financial Statements as at and for the year ended March 31, 2015

- 53** In the current year ELI has exceeded the limits for expenses of management as per Section 40B of the Insurance Act, 1938 read with Rule 17D of the Insurance Rules, 1939. The company has articulated its expense position vis-à-vis business plans, constraints and also submitted that it would not be able to meet the requirements in the financial year 2014-15 and applied for an extension in February 2015 to comply with the requirement up to the financial year 2015-16.
- 54** Previous year figures have been regrouped / rearranged where necessary.

As per our report of even date.

**S.R.Batliboi & Co. LLP**

Firm's Registration Number: 301003E  
Chartered Accountants

per **Kamal Agarwal**  
Partner  
Membership No. 058652  
Mumbai, April 30, 2015

As Approved,  
For and on behalf of the Board of Directors

**J. Kumar**  
Secretary

**R. G. Kapadia**  
**P. K. Katakya**  
**A. K. Mukherjee**  
Directors

# INFORMATION REGARDING SUBSIDIARY COMPANIES

for the year ended March 31, 2015

(Rs. In Crores)

Name of the Subsidiary					Investments								Proposed Dividend
	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Long Term	Current	Total	Turnover/ Income	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Interim Dividend	
Chloride Power Systems & Solutions Ltd. (Formerly Caldyne Automatics Ltd.)	1.98	10.71	30.34	17.65	-	3.90	3.90	74.44	6.04	1.83	4.21	1.98	-
Chloride Metals Ltd. (Formerly Tandon Metals Ltd.)	15.00	17.32	90.98	58.66	-	-	-	523.92	0.66	0.08	0.58	-	-
Chloride Alloys India Ltd. (Formerly Leadage Alloys India Ltd.)	25.00	25.34	116.22	65.88	-	-	-	689.36	4.89	1.60	3.29	1.25	-
Chloride International Ltd.	0.45	5.67	6.36	0.24	- **	4.01	4.01	0.68	0.49	0.08	0.41	0.27	-
Chloride Batteries S.E.Asia Pte. Ltd *	44.23	10.30	97.54	43.01	-	-	-	143.17	(9.07)	(1.03)	(8.04)	-	-
Associated Battery Manufacturers (Ceylon) Ltd. @	2.96	27.14	52.29	22.19	-	-	-	90.99	6.46	1.84	4.62	1.77	-
Espex Batteries Ltd. #	0.94	3.25	22.40	18.20	-	-	-	46.20	1.00	0.18	0.82	0.28	-
Exide Life Insurance Company Ltd. (Formerly ING Vysya Life Insurance Company Ltd.)	1,750.00	(1,008.78)	9,276.41	8,535.19	5,824.35	330.34	6,154.69	2,455.04	65.26	-	65.26	-	-

\* Converted into Indian Rupees at the Exchange Rate, 1 Singapore Dollar = Rs 45.43 as on 31st March, 2015

@ Converted into Indian Rupees at the Exchange Rate, 1 Srilankan Rupee = Re 0.4669 as on 31st March, 2015

# Converted into Indian Rupees at the Exchange Rate, 1 Great Britain Pound = Rs 92.38 as on 31st March, 2015

\*\* Figures being less than Rs 50,000 in each case, have not been disclosed.



# PROXY FORM

Form No.MGT-11

**Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014**

**CIN: L31402WB1947PLC014919**

**Name of the Company: EXIDE INDUSTRIES LIMITED**

**Registered Office:** Exide House, 59E Chowringhee Road, Kolkata 700 020

Name of the Member(s) :	.....		
Registered Address :	.....		
E-mail ID :	.....		
Folio No. /Client ID :	.....		
DP ID :	.....		
I/We, being the member(s), holding.....shares of the above named company, hereby appoint:			
(1) Name	.....	Address	.....
Email Id	.....	Signature.....	or failing him/her;
(2) Name	.....	Address	.....
Email Id	.....	Signature.....	or failing him/her;
(3) Name	.....	Address	.....
Email Id	.....	Signature.....	.....

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 68th Annual General Meeting of the Company, to be held on Friday, 31st July, 2015 at 11.00 am at Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	*	
Ordinary Business		For	Against
1.	Adoption of Profit and Loss Account for the year ended 31st March, 2015 and the Balance Sheet as at that date alongwith the Consolidated Financial Statements of the Company as on 31 March, 2015.		
2.	Declaration of dividend.		
3.	Re-appointment of Mr. R B Raheja who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	Appointment of Auditors.		
Special Business			
5.	Ratification of remuneration payable to Cost Auditors for 2015-16.		
6.	Appointment of Mr. Bharat Dhirajlal Shah as an Independent Director.		
7.	Variation in the period, remuneration and terms of appointment of Mr. A K Mukherjee, Director-Finance & CFO.		
8.	Variation in the period, remuneration and terms of appointment of Mr. Nadeem Kazim, Director-HR & Personnel.		
9.	Variation in the period, remuneration and terms of appointment of Mr. Subir Chakraborty, Director-Industrial.		
10.	Payment of remuneration by way of commission to Mr. R G Kapadia, Non-Executive Director and Mr. Bharat Dhirajlal Shah, Non-Executive Director.		
11.	Adoption of new set of Articles of Association of the Company.		

Signed this.....day of....., 2015

Signature of Shareholder(s).....

Signature of Proxy holder(s).....



**Note:**


1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 68th Annual General Meeting.
- \*3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.





# Route map to the venue of the 68th AGM of Exide Industries Limited



 **Kala Kunj**  
48, Shakespeare Sarani, Kolkata 700017

**EXIDE**  
INDUSTRIES LIMITED

**REGISTERED OFFICE**

Exide Industries Limited  
Exide House, 59E Chowringhee Road,  
Kolkata 700 020  
[www.exideindustries.com](http://www.exideindustries.com)



## ANNEXURE - III

### BUSINESS RESPONSIBILITY REPORT

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L31402WB1947PLC014919
2. Name of the Company: Exide Industries Limited
3. Registered address: Exide House, 59E Chowringhee Road, Kolkata 700020, West Bengal, India
4. Website: www.exideindustries.com
5. Email id: exidecorp@exide.co.in
6. Financial Year Reported: 2014-15
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Industrial Activity Code [as per Central Excise Tariff Code]	Product Category
8507 10 00	Lead-Acid accumulators of a kind used for starting piston engines
8507 20 00	Other lead acid accumulators
8504 40 90	Uninterrupted Power Supply Systems

8. List of three key products that the Company manufactures (as in balance sheet):
  - a. Electric storage batteries used for starting piston engines
  - b. Other Lead-Acid Accumulators
  - c. Home UPS systems

9. Total number of locations where business activity is undertaken by the Company
  - i. Number of international locations: Sri Lanka, Singapore and UK
  - ii. Number of national locations: Nine factories, over 200 offices across India
10. Markets served by the Company – The Company has a pan India market presence through its extensive dealer network. Internationally it serves markets in several countries in Asia, Africa, Europe and North America.

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital: Rs. 85 Crores
2. Total (Net) Turnover: Rs. 6874.21 Crores
3. Total profit after taxes: Rs. 545.87 Crores
4. Total spending on Corporate Social Responsibility as percentage of profit after tax: 0.65 percent
5. List of activities in which expenditure in 4 above has been incurred:
  - a. Child health improvement schemes undertaken through UNICEF, Child health improvement project in the slums of Eastern Calcutta undertaken through CINI-Asha and other miscellaneous community oriented activities in and around the factory locations all over India e.g. school building infrastructure and providing computers and books for students, creating safe drinking water facilities, assistance for maintenance of roads, providing support to self-help groups for women etc.

**CERTIFIED TRUE COPY**

**(Jitendra Kumar)**  
**Company Secretary &**  
**Senior Vice President- Legal**



**SECTION C: OTHER DETAILS****1. Does the company have any subsidiary company/ companies**

Yes, the Company has eight subsidiary companies out of which five are registered in India and three abroad.

**2. Do the subsidiary company/companies participate in the BR initiatives of the parent company? If yes then indicate the number of such subsidiary companies.**

Some of the Business Responsibility initiatives of the Company also cover the activities of certain subsidiaries. Additionally the Company also encourages its subsidiaries to formulate and practise their own BR initiatives based on their individual priorities. These initiatives and policies are mainly applicable to the subsidiaries which are engaged in manufacturing activities.

**3. Do any other entity/entities (e.g. suppliers, distributors etc) that the company does business with participate in the BR initiatives of the company? If yes, then indicate the percentage of such entity/entities?**

A large number of the Company's suppliers and other business associates are established entities in the organised sector. Further, several of the Company's customers are renowned OEMs. Most of such entities follow their own Business Responsibility initiatives. However, no formal study has been undertaken as of date to ascertain the percentage of such entities who participate in the BR initiatives.

**SECTION D: BR INFORMATION****1. Details of Director/Directors responsible for BR****a. Details of the Director/Directors responsible for implementation of the BR policy/policies**

- DIN Number: 00012343
- Name: Mr P.K. Katakya
- Designation: Managing Director & Chief Executive Officer

**b. Details of the BR head**

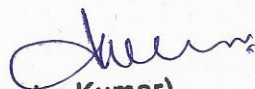
- DIN Number:
- Name:
- Designation:
- Telephone Number:
- Email id:

The Executive Committee, comprising of Key Managerial Personnel, oversees the implementation of the BR Policies

**2. Principle -wise (as per NBGs) BR Policy / Policies (Reply in Y/N)**

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	Do you have a policy/policies for...	Y*	Y*	Y	Y	Y*	Y	N	Y	Y*
ii.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	N	Y
iii.	Does the policy conform to any national/international standards? If yes, specify?	N	N	N	N	N	Y (National Voluntary Guidelines)	N	N	N
iv.	Has the policy been approved by the board? If yes, has it been signed by the MD/Owner/CEO/appropriate board director?	N#	N#	N#	N	N	N	N	N	N
v.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
vi.	Indicate the link for the policy to be viewed online?	(i)	(i)	(ii)	(iii)	(i)	(ii)	N	(iii)	(i)

**CERTIFIED TRUE COPY**

  
**(Jitendra Kumar)**  
**Company Secretary &**  
**Senior Vice President- Legal**



Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
vii.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all key internal stakeholders of the Company.								
viii.	Does the* company have an in-house structure to implement the policy/policies?	The Company has an internal management structure that oversees Policies and their implementation.								
ix.	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grivences related to the policy/policies?	The Company has various grievance redressal mechanisms for different stakeholders like employees, shareholders, customers, regulatory authorities, etc.								
x.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

\*The essence of this principle is embedded in the Company's vision, mission and core values statement.

# All policies have been signed by the MD & CEO.

- i) [www.exideindustries.com/our\\_vision.html](http://www.exideindustries.com/our_vision.html)
- ii) [www.exideindustries.com/our\\_policies.html](http://www.exideindustries.com/our_policies.html)
- iii) [www.exideindustries.com/corporate\\_social.html](http://www.exideindustries.com/corporate_social.html)

**2. a If answer to S.No. 1 is No, please explain why (tick upto 2 options)**

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	The company has not understood the principles									
ii.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
iii.	The company does not have financial or manpower resources available for the task									
iv.	It is planned to be done within next six months									
v.	It is planned to be done within the next 1 year							✓		
vi.	Any other reason (please specify)									

**3. Governance related to BR**

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the company.**  
The Executive Committee, comprising of the Key Management Personnel, is responsible for the strategic day to day management. This Committee of the Company oversees the implementation of and monitors the BR performance on a regular basis.
- **Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?**  
The Company has not published a Sustainability Report till date.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company?**  
The codes and policies governing this subject cover employees, vendors and also subsidiaries of the Company.
- 2. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?**  
Yes, they extend to vendors, suppliers and also subsidiaries of the Company. Vendors, suppliers and contractors as well as their employees are covered by the written Code of Business Conduct that all vendors have to accept before supplying anything to the Company.

**CERTIFIED TRUE COPY**

*Jitendra Kumar*  
(Jitendra Kumar)  
Company Secretary &  
Senior Vice President- Legal

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide details thereof in about 50 words.**

During the financial year 2014-15 no complaint was received relating to ethics, bribery or corruption from any stakeholder.

**Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**

i. **Batteries for Electric Bikes/Electric Vehicles –**  
The Company manufactures batteries for E-bikes and also supplies batteries for Electric four-wheelers. These vehicles are environment friendly as they do not use fossil fuel.

ii. **ISS Batteries –** The Company manufactures Idle Start-Stop (ISS) Batteries for motor vehicles. The engine of these vehicles stop in idling conditions and turns on automatically thereafter as required which results in fuel savings. These vehicles are fitted with highly technically specialised batteries which are manufactured by the Company.

iii. **Batteries for Storage of Solar Energy –**  
The Company's range of solar batteries are used to store solar energy and power solar systems which is a non-conventional and renewable source of energy.

2. **For each such product provide the following details in respect of resource used per unit of product**

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There has been a reduction in usage of conventional energy and fossil fuels by the consumers as compared to the previous years due to the above products.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes what percentage of your inputs was sourced sustainably? Provide details thereof in about 50 words or so.**

Lead, the main raw material for the products of the Company is sourced either through mining or by recycling of lead/lead based products. The Company has taken up a programme for gradually increasing the quantity of recycled lead for use in its products. For this purpose an elaborate system for collection of used batteries in the country has been put in place mainly through the extensive network of dealers of the Company. Towards this end, the Company has also acquired two Lead Smelting Units for captive consumption. Presently close to 40 per cent of the lead and lead alloy requirements of the Company are met through recycled lead.

4. **Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company encourages and develops local manufacturers and small enterprises for supply of various locally procurable goods. Regular technical assistance is given by the Company to upgrade and maintain the quality and sustainability of the products manufactured by such enterprises. The Company also gives priority to local service providers for obtaining various support services in its offices and plants.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste? Also provide details thereof in about 50 words or so.**

The Company ensures optimal usage of raw materials and emphasises on recycling the waste generated during manufacturing process and also promotes use of recycled materials. As explained earlier recycled lead constitutes close to 40 per cent of the total lead and lead alloys used by the Company for manufacturing batteries. The Company also has two captive smelting units for recycling of lead. Apart from the above, the packaging material

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**(Jitendra Kumar)  
Company Secretary &  
Senior Vice President- Legal**





used by the Company also contains recycled paper to a significant extent. Also, most of the Plants of the Company use recycled waste water for cleaning and gardening purposes. Bio-gas is also generated from canteen waste in one of the plants.

**Principle 3 Businesses should promote the wellbeing of all employees**

1. Please indicate the total number of employees – 5,258
2. Please indicate the total number of employees hired on temporary/contractual/casual basis – 6,378
3. Please indicate the number of permanent women employees - 104
4. Please indicate the number of permanent employees with disabilities - 6
5. Do you have an employee association that is recognised by the management – Yes
6. What percentage of your permanent employees is members of this recognised employee association? 54%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

Sl No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

**8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?**

- Permanent employees – 70%
- Permanent women employees – 45%
- Casual/temporary/contractual employees – 30%
- Employees with disabilities – Nil

**Principle 4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

**1. Has the company mapped its internal and external stakeholders?**

The Company has mapped its internal and external stakeholders as follows: employees, customers, dealers, technical collaborators, suppliers, shareholders, regulatory authorities and members of the society who are directly or indirectly affected by the Company's operations.

**2. Out of the above, has the company identified the disadvantaged, vulnerable and marginalised stakeholders?**

The Company's factories are located in semi-urban or rural areas where many basic amenities for the inhabitants are absent or minimal. The Company has identified the inhabitants of several neighbouring villages in the vicinity of its factories as the disadvantaged, vulnerable and marginalised stakeholders.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so provide details thereof in 50 words or so.**

Depending upon the needs of the villages around the factories, the Company undertakes various social initiatives targeted at these stakeholders in the villages so as to alleviate their quality of life. These activities vary from time to time and are often implemented in consultation with the local community leaders. Further several initiatives have also been taken for the benefit of such marginalised or disadvantaged sections of the society in other

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Company Secretary &  
Senior Vice President- Legal**

locations where the Company has offices. Broad details of such activities can be found in the Director's Report under the Section - Corporate Social Responsibility.

**Principle 5 Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ others?**

The Company's policy on human rights presently covers the Company, its subsidiaries, vendors and suppliers.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company did not receive any complaint regarding human rights violation from any quarter during the financial year 2014-15.

**Principle 6 Business should respect, protect and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others**

The Company's policy on environment covers the Company and its subsidiaries.

**2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming etc? If yes, please give hyperlink for webpage etc**

The Company recognises that climate change is a real threat facing not just the Company but the entire global community, of which it is just a part. The Company also recognises it can play a meaningful role in trying to mitigate the problem by adopting certain strategies and initiatives in its day to day operations. The Company has a well laid down Energy Policy and is always striving to implement measures to reduce GHG emissions. Further, the Company has also contributed towards conservation and protection of wildlife. The Environmental Policy of the Company may be viewed at [www.exideindustries.com](http://www.exideindustries.com)

**3. Does the company identify and assess potential environmental risks?**

Yes. The Company actively tries to identify, assess and address potential environmental risks and takes preemptive action to minimise such risks in a structured manner.

**4. Does the company have any project related to Clean Development Mechanism? If so provide details thereof in about 50 words or so. Also if yes, whether any environmental compliance report is filed?**

Several of the Company's products are targeted at providing clean energy or replacing polluting technologies. The Company is also engaged in solar power business whereby it manufactures batteries for the solar power systems. The Company also manufactures batteries for electric vehicles and hybrid vehicles thereby contributing to the movement towards less dependence on fossil fuel.

The Company has also undertaken various projects for use of renewable energy e.g. solar and wind power, in its various plants which leads to reduction in carbon footprint. As stated earlier, proactive steps are taken to reduce GHG emissions on a continual basis.

The Company regularly files its environment compliance reports with various regulatory authorities from time to time.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc. If yes, please give hyperlink for web page etc.**

The Company has been progressively reducing its energy and raw material consumption per unit of battery manufactured. There is also a constant effort to conserve energy and improve energy efficiency at all locations. Substantial investments are made by the Company towards this end in all plants and the results achieved are regularly monitored. The Annexure to the Director's Report contains details of the steps taken to conserve energy during the financial year 2014-15.

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**6. Are the emissions/waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

All the factories of the Company comply with the prescribed emission norms of various State or Central Pollution Control Boards. The Company's factories have also obtained international certifications for environmental management and cleanliness.

**7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.**

No showcause or legal notices from the pollution control authorities are pending as at the end of the financial year 2014-15.

**Principle 7 Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If yes name only those major ones that your business deals with**

The major industry associations of which the Company is a member includes: Bengal Chamber of Commerce and Industry, Confederation of Indian Industry, Engineering Export Promotion Council of India, Society of Indian Automobile Manufacturers, Indian Electrical and Electronics Manufacturers Association, Bombay Chamber of Commerce and Industry and Indian Battery Manufacturers' Association.

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas**

Through joint actions with various pollution control authorities and other associations, public awareness campaigns have been organised regarding the responsible use of lead and proper disposal thereof. The Company also took an active role in formulating the legislation for responsible handling and management of used lead acid batteries. Apart from this, the Company is represented on the governing bodies and several committees – both at the state and national levels, of CII and the Bengal Chamber of Commerce and Industry and through these forums the Company actively participates in various issues concerning business and society.

**Principle 8 Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has several socio-economic projects running in various parts of the country and particularly near its major plants. Among the major programmes the Company is supporting the UNICEF to work with the State Governments and a few selected NGOs to provide access to safe drinking water, sanitation and hygiene for women and children in rural areas, promote and provide menstrual hygiene management among rural women and promote clean school campaign in rural areas to highlight hygienic use of toilets and water etc.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**

Some of the projects are implemented through reputed national and international aid agencies or in association with local elected bodies like panchayats and some other projects are implemented through in-house teams.

**3. Have you done any impact assessment of your initiative?**

Yes. Some of the projects have been analysed for their impact on the target beneficiaries.

**4. What is your company's direct contribution to community development projects – amount in INR and the details of the projects undertaken**

The Company has spent Rs. 3.58 Crores in CSR projects during 2014-15. Apart from this, the Company has made donations to various charitable organisations and other institutions engaged in the fields of healthcare, environmental protection etc.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

Community development oriented projects at Exide are undertaken with a view to make the community self sufficient and self reliant. Setting up and

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**(Jitendra Kumar)  
Company Secretary &  
Senior Vice President- Legal**

development of physical infrastructural projects have definitely helped the community to a great extent. Further through impact analysis studies it has been found that some of the intervention oriented projects have substantially achieved the intended objectives.

**Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year**

The Company has a robust CRM system to track customer feedback. During the year around 94 complaints were received through this system out of which around 66 percent was awaiting resolution as on the last day of the financial year.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Answer with yes/no/not applicable/Remarks**

Yes, the Company has displayed all mandatory information on the product labels as per local laws. Over and above the same, the product labels are designed to make customers aware about the safe usage, handling and disposal of the products.

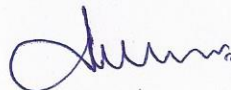
**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof in about 50 words or so.**

Sometime in 2003 the Company terminated the dealerships of JVC Industrial Corporation and Univolt Electro Devices Private Ltd (both under the same management) due to various activities which were prejudicial to the interest of the Company. As an antithesis these erstwhile dealers filed complaints under the erstwhile MRTP Act 1969 alleging that the termination of their dealerships amounted to unfair trade practises by the Company. This complaint was subsequently transferred to the Competition Appellate Tribunal and is pending final hearing.

**4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

During 2014-15 the Company carried out various exhaustive market surveys on its customers in many of its key markets. Steps have been or are being taken based on the findings of those surveys.

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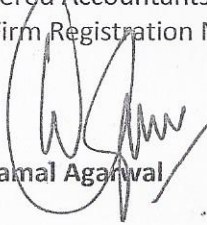
**(Jitendra Kumar)  
Company Secretary &  
Senior Vice President- Legal**

FORM A

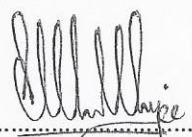
Format of covering letter of the annual audit report to be filed with the Stock Exchanges

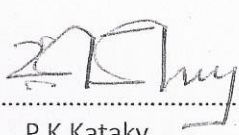
1.	Name of the Company	Exide Industries Limited
2.	Annual financial statement for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable

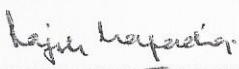
For S.R.Batliboi &Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E

  
per Kamal Agarwal

Partner  
Membership Number: 58652  
Place of Signature: Mumbai  
Date 30<sup>th</sup> April, 2015

Director –Finance & CFO:.....  
  
A.K.Mukherjee

Managing Director & CEO:.....  
  
P K Katakya

Chairman-Audit Committee:.....  
  
Rajesh Kapadia

**FORM A**

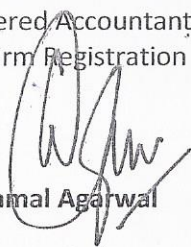
Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company	Exide Industries Limited and its Subsidiaries
2.	Annual consolidated financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable

**For S.R.Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E



per Kamal Agarwal

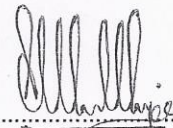
Partner

Membership Number: 58652

Place of Signature: Mumbai

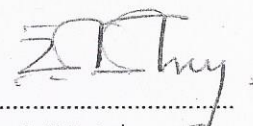
Date 30<sup>th</sup> April, 2015

Director –Finance & CFO:.....



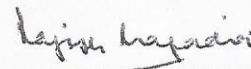
A.K. Mukherjee

Managing Director & CEO:.....



P K Katakya

Chairman-Audit Committee:.....



Rajesh Kapadia

**AUDITORS' CERTIFICATE**

To

The Members of Exide Industries Limited

We have examined the compliance of conditions of corporate governance by Exide Industries Limited, for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

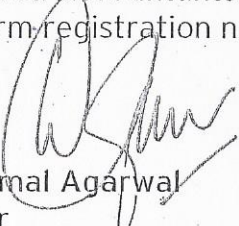
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E

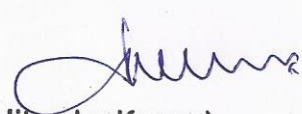
  
per Kamal Agarwal  
Partner

Membership No.: 058652

Place: Mumbai

Date: April 30, 2015

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(Jitendra Kumar)  
Company Secretary &  
Senior Vice President- Legal

**AUDITORS' CERTIFICATE**

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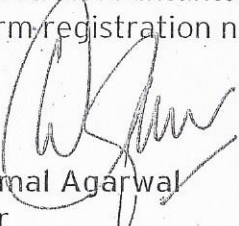
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For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E

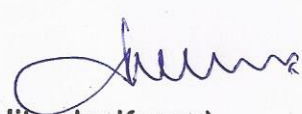
  
per Kamal Agarwal  
Partner

Membership No.: 058652

Place: Mumbai

Date: April 30, 2015

**CERTIFIED TRUE COPY**

  
(Jitendra Kumar)  
Company Secretary &  
Senior Vice President- Legal