

**July 10, 2024**

National Stock Exchange of India Limited  
Listing Compliance Department  
“Exchange Plaza”  
Bandra – Kurla Complex  
Bandra East, Mumbai – 400 051  
**NSE Symbol: ARE&M**

BSE Limited  
Corporate Relations Department  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001  
**BSE SCRIP CODE: 500008**

Dear Sir / Madam,

**Sub: Notice of 39<sup>th</sup> Annual General Meeting (AGM) and Annual Report 2023-24**

**Ref: Regulation 30 & 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Please refer to our letter dated May 28, 2024, intimating that the 39<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Saturday, August 3, 2024.

Pursuant to Regulation 30, 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed

- Annual Report for the Financial Year 2023-24
- Notice convening the 39<sup>th</sup> Annual General Meeting

The aforesaid documents are available on the website of the Company and are being dispatched today i.e., July 10, 2024, to all eligible shareholders in electronic mode, whose email IDs are registered with the Company/ RTA/ Depositories.

Further, find enclosed Key Information related to 39<sup>th</sup> AGM as Annexure – I.

This is for your information and record.

With Regards,

**For Amara Raja Energy & Mobility Limited**  
(Formerly known as Amara Raja Batteries Limited)

**Vikas Sabharwal**  
Company Secretary

Encl: a/a



**Key information at a glance:**

Date and time of 39 <sup>th</sup> AGM	Saturday, August 3, 2024, at 3.00 p.m. IST through VC/OAVM
Book Closure Dates	Friday, July 19, 2024, to Thursday, July 25, 2024 (both days inclusive)
Record Date for Final Dividend	Thursday, July 18, 2024
Cut Off Date for (e-Voting eligibility and Attending AGM via VC or OAVM)	Saturday, July 27, 2024
The remote e-voting will commence on	Wednesday, July 31, 2024, from 9:00 a.m. IST
The remote e-voting will end on	Friday, August 2, 2024, till 5:00 p.m. IST
E-Voting website	<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>
Helpline number for VC participation and e-voting	NSDL on <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> / 1800-222-990/ 022-24994890/ 040-44334178
Registrar and Share Transfer Agent	Cameo Corporate Services Limited, Unit: Amara Raja Energy & Mobility Limited, V Floor, Subramanian Building, No.1, Club House Road, Chennai - 600002, Tel: 91 44 28460390, Portal: <a href="http://wisdom.cameoindia.com">wisdom.cameoindia.com</a> Email ID: <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a> Website: <a href="http://www.cameoindia.com">www.cameoindia.com</a>
Company	Write a mail to <a href="mailto:investorservices@amararaja.com">investorservices@amararaja.com</a> Website: <a href="http://www.amararajaeandm.com">www.amararajaeandm.com</a>



**AMARA RAJA**  
Gotta be a better way

Keeping the  
World in



# Motion



# Amara Raja in a

# nutshell



## BUSINESS

**4 decades**

of experience

**Leading**

Automotive Battery Brand

**Market Leader**

in Automotive aftermarket (Amaron), Telecom and Data Centre

**Exceptional**

Brand recall

**First AGM**

AGM battery manufacturer for 2W

**First**

VRLA battery manufacturer in India



## OPERATIONS

**9**

Manufacturing plants (Including 2 plastic units)

**50+ Mn**

Annualised Capacity for automotive batteries

**2.6+ Bn Ah**

Total industrial batteries capacity

**50+ Countries**

Exports

**9,000+**

Employees

**1 lakh+ POS**

Country wide distribution network

**CDP Rating 'B' in Climate Change**

Committed to Net Zero



## FINANCIALS

**~₹139+ billion**

Market Cap (as on March 31, 2024)

**~13%**

10 year Revenue CAGR

**~19%**

ROCE<sup>(1)</sup>

**AA+**

Credit Rating by CRISIL

**40%+**

Institutional Shareholding

**Marginal debt**

in the books

<sup>(1)</sup> FY24

Over the last few years, we have continued to accelerate our transformational journey, building a future-focused and resilient business, despite macro headwinds.

We have always focused on enriching our portfolio with new product launches in India and across the world, and are now expanding our footprint to more countries worldwide.

The year 2023 saw us accomplish a momentous milestone in our journey of over four decades. During the year, we revamped our brand identity to unveil our broader vision and commitment to lead India's energy storage and mobility sector.

This rebranding reflects our strategic shift to emerge as a comprehensive solutions provider, focused on innovation and sustainability.

We help keep the world in perpetual motion, with an emphasis on protecting the environment and safeguarding the interests of all our stakeholders.







Scan above QR code to know more about us

## Read Inside



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## About the Report

### Reporting Approach

This report provides a holistic analysis of all our operational, financial, environmental, social and governance (ESG) activities. Our aim is to safeguard the long-term interests of our stakeholders and to create enduring value through prudent deployment of various resources or capitals. The outcomes and outputs of the capitals are correlated and aligned with the **UN's Sustainable Development Goals**.

### Reporting Frameworks and Guidelines

#### The Integrated Report of FY24 has been developed in line with the following:

- ▶ International Integrated Reporting Council (IIRC) Frameworks
- ▶ Global Reporting Initiative Standards, 2021
- ▶ Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines for Responsible Business Conduct (NGRBC)
- ▶ United Nations Sustainable Development Goals Principles (UN SDGs)
- ▶ United Nations Global Compact (UNGC) Principles
- ▶ The Companies Act, 2013
- ▶ Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### Our Capitals



### Reporting Period and Cycle

- ▶ Reporting Period – FY24 (April 1, 2023 - March 31, 2024)
- ▶ Reporting Cycle – Annual

### Independent Assurance

The non-financial numbers presented in the Integrated Report and BRSR Report for FY24, have undergone limited assurance as per ISAE 3000 standard and ISO 14064 – Part I standard for Green House Gas (GHG) Inventory by Bureau Veritas Industrial Services (India) Pvt. Ltd.

Refer page number **385**



### Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

### Scope and Reporting Boundary

The disclosures and performances in this Integrated Report and BRSR Report for FY24 pertain to our operations. For the purpose of this report, the non-financial data related to recently acquired Plastic Component for Battery Business from Mangal Industries Limited has not been included.

### Stakeholder Feedback

We welcome valued inputs and feedback from all our stakeholders:

**Vikas Sabharwal**  
Company Secretary

Email: [investorservices@amararaja.com](mailto:investorservices@amararaja.com)

## + Delivering Energy and Mobility through Innovation and Excellence

Amara Raja Energy & Mobility Limited (ARE&M), the flagship company of Amara Raja Group, is the technology leader and one of the largest manufacturers of lead-acid batteries for industrial and automotive applications in India's storage battery industry.

Over the years, we have grown from a single business to a diverse corporate with presence in several sectors.

As a leading player in the sector of energy and mobility solutions, we have fostered enduring partnerships and endearing relationships nationally and internationally. **Our reach extends beyond India, to over 50 countries worldwide.**



### Automotive Batteries

A leading player in the Indian battery industry, known for our popular Amaron brand – the largest-selling aftermarket automotive battery brand in the country. We are pioneers in introducing zero maintenance battery technology in India.

Read more on page number **030**



### Industrial Batteries

Pioneers in manufacturing Valve Regulated Lead Acid (VRLA) batteries in India, we offer a wide range of industrial batteries catering to various segments such as UPS, Telecom, Railways and so on.

Read more on page number **040**



### New Energy Business

We continue to be at the forefront of India's energy and mobility revolution, offering lithium-ion cell and battery pack solutions and chargers for electric vehicles and beyond.

Read more on page number **050**



We have joined the United Nations Global Compact (UNGC) as a member, pledging to integrate UNGC principles into our strategy and organisational ethos. We have a broad retail network that facilitates the distribution of superior automotive and home uninterruptible power supply (UPS)/ inverter batteries across India. These products, available under the distinguished brand names of Amaron®, PowerZone®, Quanta® Power Stack®, Amaron Volt™, Amaron Brute™ and Amaron Sleek™, are the preferred choice for various industry segments. These include telecom (both service providers and tower companies), UPS, Indian Railways, Motive, Power and other industries..

## Values

### INNOVATION...

To us is proactively rebelling for better ways of doing things leading to newer possibilities

### EXCELLENCE...

To us is continually enhancing our performance to consistently produce outstanding results with lasting impact

### ENTREPRENEURSHIP...

To us is leading with courage and conviction to convert gaps into opportunities, create wealth and contribute to growth

### EXPERIENCES...

To us is what we create for our stakeholders, which makes them feel part of something special, leading to endearing relationships

### RESPONSIBILITY...

To us is the total ownership of our thoughts and actions in every situation to achieve maximum common good in the best interest of the Environment, Society, Customer, Supplier, Employee and Shareholders

# Deeply anchored

**in vision, values and core purpose**

## Vision

Through the Amara Raja Way and through enduring progressive partnerships we will be a Global Leader in Energy and Mobility Solutions.

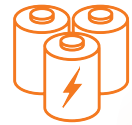
## Core Purpose

To transform our increasing spheres of influence and to improve the quality of life by building institutions that provide better access to better opportunities to more people...

**All the time...**



# Industry-leading Solutions to keep the World in Motion



## Industrial Batteries

ARE&M is a pioneer of VRLA batteries in India and are engineered to provide the best performance, reliability and consistency over the life of the product.



UPS



Telecom



Railways



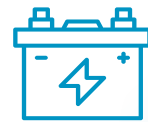
Power and Industry



Motive



Solar



## Automotive Batteries

ARE&M is a leading manufacturer of automotive batteries in India and has established its brands by delivering highest performance standards in the segment.



Passenger Vehicles



Commercial Vehicles



Farm Vehicles



Home UPS/ Inverter



2 and 3 Wheeler Vehicles



E-rickshaw



## Li-ion Batteries

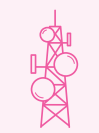
Amara Raja Advanced Cell Technologies offers cells, battery packs and charging solutions in the energy and mobility sector.



2 Wheeler Vehicles



3 Wheeler Vehicles



Telecom



Energy Storage Solutions



## Brands

### Automotive Batteries



Amaron®



PowerZone®



ELITO

### Industrial Batteries



Power Stack®



Amaron Sleek™



Amaron Volt™



Amaron Brute™



Amaron Quanta®



Li-on

## Taking Homegrown Expertise Worldwide

We have established a strong presence in the overseas market owing to our excellent quality and performance. Our dedicated Research and Development (R&D) expertise and engineering excellence produces compatible batteries that suit any climatic conditions around the world.

Today, our products reach consumers in over 50 countries thereby positioning us as one of the most preferred battery brands across the world.

50+

Countries

1 Middle East

2 North America

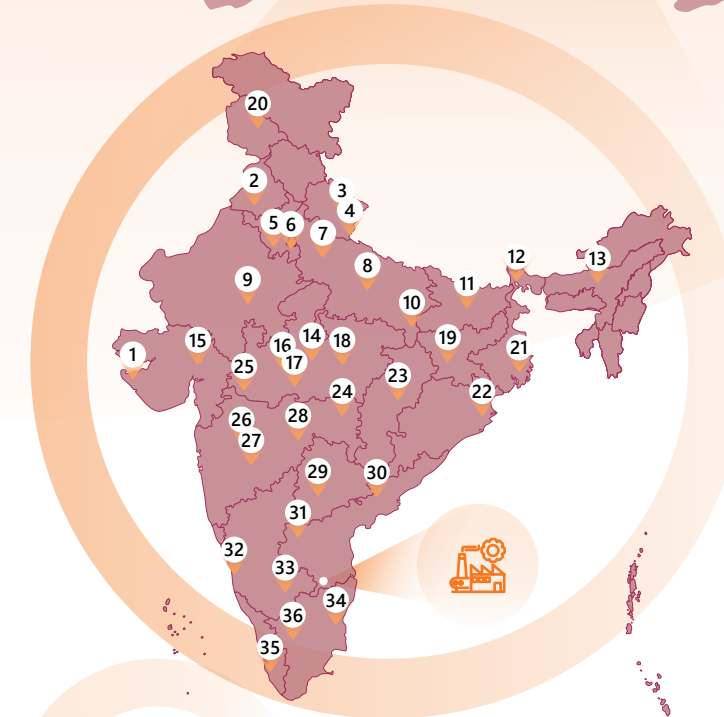
3 Central America

4 Oceania

5 Africa

6 South Asia

7 Southeast Asia



### Manufacturing Plants

**Karakambadi** (this facility consists of four plants) and **Amara Raja Growth Corridor (ARGC)** (this facility consists of five plants) in Andhra Pradesh, India.

### Our Distribution Network

1. Jamnagar	19. Ranchi
2. Zirakpur	20. Jammu
3. Haridwar	21. Kolkata
4. Rudrapur	22. Bhubaneswar
5. Gurgaon	23. Raipur
6. Delhi	24. Nagpur
7. Ghaziabad	25. Barwani
8. Lucknow	26. Nashik
9. Jaipur	27. Pune
10. Varanasi	28. Aurangabad
11. Patna	29. Hyderabad
12. Siliguri	30. Vijayawada
13. Guwahati	31. Anantapur
14. Mandi	32. Hubli
15. Ahmedabad	33. Bangalore (Bengaluru)
16. Indore	34. Chennai
17. Pithoragarh	35. Kochi (Cochin)
18. Jabalpur	36. Coimbatore



## Robust Financials Delivering Sustainable Value

### Revenue (₹ in Cr)

2023-24	11,260
2022-23	10,390
2021-22	8,696
2020-21	7,150
2019-20	6,839

### Profit After Tax (₹ in Cr)

2023-24	906
2022-23	731
2021-22	511
2020-21	647
2019-20	661

### Net Fixed Assets (₹ in Cr)

2023-24	3,122
2022-23	3,260
2021-22	2,492
2020-21	2,455
2019-20	1,829

### Net Worth (₹ in Cr)

2023-24	6,768
2022-23	6,006
2021-22	4,551
2020-21	4,210
2019-20	3,656

### EBITDA (₹ in Cr)

2023-24	1,692
2022-23	1,469
2021-22	1,091
2020-21	1,181
2019-20	1,125

### Net Cash from Operations (₹ in Cr)

2023-24	1,314
2022-23	956
2021-22	633
2020-21	802
2019-20	1,177

### Net Current Assets (₹ in Cr)

2023-24	1,558
2022-23	1,813
2021-22	1,206
2020-21	1,151
2019-20	934

### Earnings Per Share (in ₹)

2023-24	49.49
2022-23	39.92
2021-22	29.93
2020-21	37.87
2019-20	38.69



## Message from the Chairman and Managing Director (CMD)



**Jayadev Galla**  
Chairman and  
Managing Director  
Amara Raja Energy  
& Mobility Limited

A landmark moment of the fiscal year has been our rebranding to 'Amara Raja Energy & Mobility Limited.' This change represents more than just a new name; it symbolises our broader vision and dedication.

Dear Shareholders,

In a year marked by unprecedented global challenges, we have not just weathered the storm but have also emerged as stronger and more resilient. Our journey this past year has been a transformative one, marked by remarkable growth, strategic diversification and bold new ventures.

A landmark moment of the fiscal year has been our rebranding to 'Amara Raja Energy & Mobility Limited.' This change represents more than just a new name; it symbolises our broader vision and dedication. Our new identity reflects our ambition to lead India's energy transition, particularly in energy storage and mobility. This rebranding signifies our evolution into a comprehensive solutions provider focused on innovation and sustainability in the energy and mobility sectors.

Despite ongoing global geopolitical tensions, the Indian economy has remained one of the fastest-growing economies in the world. In this dynamic scenario, the country's manufacturing sector has demonstrated remarkable strength and adaptability. Enhanced government impetus for promoting domestic manufacturing, such as offering incentives and improving the ease of doing business, has made our industry poised for growth. At Amara Raja, we are envisioning a bright future for the domestic manufacturing sector with great optimism. We believe that its expansion will have a positive and far-reaching impact on our business.

Government initiatives, such as the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India) scheme, have catalysed the adoption of EVs in the country. Increasing awareness about environmental sustainability, coupled with the availability of incentives and charging infrastructure, has resulted in a significant uptick in the demand for our EV batteries and chargers. We are proud to contribute to India's sustainable development goals by facilitating the adoption of EVs and reducing carbon emissions.

Fuelled by India's booming middle class and the government's push for infrastructure development, the demand for vehicles in India has soared. This surge has translated into a heightened demand for powerful and reliable automotive batteries. Recognising the potential of this growing market, we have been leveraging our strong capabilities in battery technology and existing distribution network to cater to this demand. I am pleased to share that this has helped us achieve healthy growth in our lead-acid battery business.

Understanding the evolving market dynamics, we have also forayed into new segments, such as lubricants, on the strength of our wide distribution network. This diversification strategy has proven successful, opening up new revenue streams and enabling us to further bolster our market position.

Focused on expanding our global footprint, we are capitalising on increasing the demand for our products in international markets.

Our robust product portfolio and reputation for delivering high-quality battery solutions have enabled us to forge strong partnerships and secure new business opportunities worldwide, including a leading retail chain in the United States. We are looking forward to building on this success and pursuing avenues for growth in international markets.

Recognising the market shift towards electric vehicles (EVs), we have prudently invested in the research and development (R&D) and manufacturing of lithium-ion cells and batteries. As India embraces sustainable transportation, we are committed to being at the forefront of this transition. Our lithium-ion battery offerings will not only cater to the significant growth in EVs but will also enable us to expand into new markets and industries that demand high-performance energy storage solutions. Our EV charger business has yielded promising results. We have secured a strong order pipeline, which has helped us capture a strong share of the growing charging infrastructure market. As the EV ecosystem continues to develop in India and around the world, we are well-positioned to play a crucial role in shaping the future of sustainable transportation.

Sustainability is a core principle at Amara Raja. We integrate it throughout our value chain, from design to manufacturing and logistics. During the fiscal year, we were proud to affirm our ambitious goal of achieving net-zero emissions by 2050.

We are also working towards shaping a better tomorrow for our communities. While research continues to show that a strong internal culture of integrity and inclusion is the best environment for innovation, we are maintaining a focus on both external and internal communities as we work to make a social impact—increase access to education, employability and healthcare—and create a more equitable and innovative future.

As we look ahead, our strategic focus remains on innovation, sustainable growth and operational excellence. We will continue to invest in R&D, expanding our manufacturing capabilities and strengthening our market position. Our commitment to delivering best-in-class products, fostering customer-centricity and maintaining the highest standards of corporate governance will remain steadfast.

I would like to express my sincere gratitude to all our shareholders for their consistent support and trust in Amara Raja Energy & Mobility Limited. It is your confidence and belief in our vision that has propelled us to new heights. Together, we will navigate the challenges, seize the opportunities and continue to create sustainable value.

Thank you for your continued support and investment in Amara Raja Energy & Mobility Limited.

Sincerely,

**Jayadev Galla**  
Chairman and Managing Director  
Amara Raja Energy & Mobility Limited



## Message from Executive Director - Automotive and Industrial Business



**Harshavardhana Gourineni**  
Executive Director-  
Automotive and Industrial

At Amara Raja, we are geared to match the pace of growth of energy and mobility industry through consistent innovation and expansion.

Dear Shareholders,

It is always a pleasure to address you at the conclusion of a year characterised by remarkable growth and innovation. This Annual Report not only chronicles our achievements in the Lead Acid Battery (LAB) space but also spotlights the advancements we have made in areas including energy efficiency, carbon footprint reduction and waste minimisation.

In FY24, we recorded a surge in the LAB sector, a performance that mirrors the growth of the automotive and industrial markets in India. Through digital implementations and creative process interventions, we were able to scale up our production capabilities to meet the evolving demand landscape. Also, our efforts towards building a more sustainable organisation have made our LABs cleaner and greener. To capitalise on the next wave of mobility, we are focusing on scaling the LAB business further, especially in light of the growing EV penetration and the new opportunities it opens up.

During the fiscal year under review, India emerged on the global stage as a resilient force to be reckoned with. While supply chain volatility and evolving geopolitical challenges persisted, our Company echoed

the strength and resilience of the Indian economy. We have clocked strong numbers during FY24, with our operational revenue growing by 8.4% year-on-year and our Profit Before Tax (PBT) by 15.4%. These healthy metrics indicate promising prospects in the coming years and beyond.

The Indian automotive industry grew by 12.5% in FY24. At Amara Raja, we are geared to match this pace through consistent innovation and expansion. The passenger vehicle segment, being a key growth driver with its impressive SUV sales (up 26%), is providing us with ample room for expansion. Our offerings, including high-performance batteries that cater to the entire spectrum of automotive needs two-wheelers, three-wheelers, passenger cars and even commercial vehicles- are likely to witness an uptick in demand, primarily driven by shifting consumer trends in India. Increasing urbanisation and growing demand for premiumisation are positioning the automotive industry for robust growth.

In recent years, data consumption in India has grown exponentially, propelling the need for our UPS and data centre solutions. The rise of cloud-based services and the escalating demand for uninterrupted power are compelling businesses nationwide to invest in reliable UPS systems. At Amara Raja, we are not only catering to this demand, but are also leading the charge with innovative solutions, such as material-efficient batteries

with enhanced cycle life. These efforts help us fortify our market position. We are the market leader in Valve-regulated Lead Acid (VRLA) batteries for the telecom industry. This underscores our ability to deliver reliable and long-lasting solutions for a myriad of applications. Additionally, we were the first to introduce VRLA batteries in India and operate the largest integrated facility for MVRLA batteries. Our pioneering efforts also extend to the Indian Railways, where we have developed innovative battery solutions that ensure seamless operations.

### Creating Future-proof Solutions

Innovation for us is more than just product development; it is about developing energy and power solutions that shape a sustainable future for all. I am glad to share that we are on the verge of commencing production at our battery recycling plant with an eventual capacity of 1.5 Lac MTPA of lead at Cheyyar in Tamil Nadu. This facility will encourage responsible lead management and minimise our environmental impact.

This past year, we also developed cutting-edge products that last longer, are corrosion-resistant, require low maintenance and have minimal resource consumption during manufacturing. Some of the products we introduced in FY24, include AGM batteries for the automotive application, which are ideal for start-stop and hybrid vehicle applications. Additionally, we've extended our



**We aspire to achieve net zero emissions by 2050 and have implemented a comprehensive strategy with targets aligned with the decarbonisation approach as defined by the Science Based Target Initiative (SBTi).**

Duraframe technology to all of our product ranges.

On the international front, we have secured a foothold in the North American market, strengthening our global presence and catering to over 50 countries.

**Sustainability at the Core**

Two years ago, we set ambitious sustainability targets for ourselves. In keeping with this, we have adopted sustainable business practices across all our operations. I am glad to share the significant strides we have taken towards achieving these environmental objectives.

We aspire to achieve net zero emissions by 2050 and have implemented a comprehensive strategy with targets aligned with the decarbonisation approach as defined by the Science Based Target Initiative (SBTi).

Through several well-calibrated efforts, we have been able to reduce energy intensity by 19% and carbon footprint intensity by 38%. As of today, nearly 24% of our total energy consumption is renewable with the installed capacity of 62 MW.

Besides reducing our own carbon footprint, our impressive 83% sourcing rate for recycled lead and alloys reflects our commitment to fostering a circular economy. Innovative water management strategies, including the installation of Zero Liquid Discharge systems, have resulted in a 20% reduction in absolute water usage and close to 95% of our total manufacturing waste is recycled.

These achievements have been recognised in our first attempt, we have secured a B CDP rating for climate action, a reflection of our dedication to our net-zero plans, not just within our operations but across our entire value chain. This recognition further inspires us as we continue to build on this momentum.

Also, on the social front, with ongoing community development initiatives, we have continued to positively impact numerous lives. Our underground sewage project and the establishment of a second skill development centre are nearing completion. These projects are expected to become operational in FY25 creating a lasting impact on the communities we serve.

The launch of the Amara Raja Sustainability Academy, an online training programme, is designed to equip our workforce with the requisite knowledge and skills for driving responsible progress. The Academy offers customised programmes based on job roles. As of now, 300 leaders have initiated their learning at the Academy. The Sustainability Committee regularly reviews our sustainability performance to ascertain steady progress towards our goals. Additionally, we conduct life cycle assessments for our products to better understand and mitigate their ecological footprint.

In our endeavour to foster sustainability, we have gained valuable knowledge, especially in terms of safety. We recognise that cultivating a culture of safety necessitates continuous efforts, vigilance and an emphasis on behavioural shifts. Moreover,

**As we shift gears into FY25, the positive macroeconomic outlook and a potentially good monsoon season paint a promising picture for continued growth.**

we acknowledge the need for persistent improvement in diversity and inclusion. We have established well-defined targets to facilitate inclusiveness and belonging, aiming to improve our performance on diversity in talent attraction and retention. Our commitment to building an inclusive workplace and ensuring the safety of our employees remains steadfast.

**Way Forward**

We will continue to sharpen our focus on enhancing the efficiency and sustainability of our Lead Acid Batteries as we strive for innovation and growth. Our focus on market segmentation, sustainability, technological integration and customer service will help ensure that LAB continues to play a crucial role in the dynamic energy and mobility sectors.

As we shift gears into FY25, the positive macroeconomic outlook and a potentially good monsoon season paint a promising picture for continued growth. Amara Raja is firmly positioned as the frontrunner in this flourishing industry and we will continue to invest in cutting-edge technologies and broaden our product portfolio to capture emerging opportunities and contribute to a sustainable future.

I look forward to your sustained cooperation as we chart the course of our next leg of growth. Together, let us keep powering progress responsibly.

Sincerely,

**Harshavardhana Gourineni**  
Executive Director  
Automotive and Industrial





## Message from Executive Director – New Energy Business



**Vikramadithya Gourineni**  
Executive Director-  
New Energy Business

At Amara Raja, we are building upon our incumbent strength in solutions for light electric vehicles (LEVs). This segment is seeing an accelerated adoption of electric vehicles particularly in India, driven by factors such as affordability, urban commuting needs, as well as low acquisition and operating costs.

Dear Shareholders,

I am happy to share my thoughts with you at the end of yet another year of remarkable growth. We have made significant progress in the rapidly evolving New Energy sector, laying a strong foundation for it to become a significant growth driver for our company.

### Shaping a Clean Energy Future

At Amara Raja, we envision a future where decentralisation, sustainability, and intelligent energy management characterise the power sector. Around the world, we are witnessing a market-driven adoption and generational business opportunity towards cleaner energy as well as electric mobility, which has been reflected in our strategy and now our name simply as 'Energy & Mobility'.

### Sharpening Focus on Energy and Mobility

With over 4 million electric vehicles (EVs) already plying Indian roads, the electric mobility industry is gaining rapid momentum. This upward trajectory is further accelerated by favorable policy and rapid discovery of cost parity in light electric vehicles (LEVs) such as electric 2 and 3-wheelers. While

erstwhile challenges including range anxiety, inadequate charging infrastructure and higher upfront costs persist, we believe that these are being addressed in a systematic manner to usher in broader EV adoption.

At Amara Raja, we are building upon our incumbent strength in solutions for light electric vehicles (LEVs). This segment is seeing an accelerated adoption of electric vehicles particularly in India, driven by factors such as affordability, urban commuting needs, as well as low acquisition and operating costs. We strongly believe that this segment will continue to see robust growth in the immediate term with less dependence on government policy and more driven by clear market pull. Electrification of larger platforms such as passenger vehicles will be less reflective as a percentage of adoption, but the trends here are promising and the company is accelerating its capabilities to cater to this segment as well. Given the larger pack sizes, this market can grow very quickly, and the complexity of high voltage battery systems provides significant entry barriers.

The Indian government's commitment to realising its renewable energy targets has underscored the critical role of energy storage systems in this energy transition. The government targets for renewable installation continue to be met successfully, and we are

confident that this will invariably create a strong future demand for energy storage solutions to integrate intermittent renewable sources into the grid and ensure uninterrupted power supply.

### Transformation-led Performance

Our subsidiary, Amara Raja Advanced Cell Technologies (ARACT) witnessed a growth of 115% over the previous year. This stellar performance reinforced our leadership position and reaffirmed the trust our customers have in our offerings. Much of our revenue, around 80%, came from batteries, with the charger business making up the rest. At ARACT, the emphasis has been on creating robust battery packs as well as fully localised portable EV chargers for two-wheeler and three-wheeler Expand.

While we are responding strongly to immediate market forces in the Light Electric Mobility segment, we are also seeing growing potential in electrification of the 4W segment and expanding our capabilities and offerings accordingly. We continue to scout globally best-in-class solutions and assess how to appropriately tailor these to suit Indian conditions. In doing so, ARACT has consistently delivered bespoke solutions that meet our client's expectations.



**The Giga Corridor project in Divitipally, Telangana is progressing very fast. The facility, spread across 262 acres, will house India's largest Giga Factory for Advanced Chemistry Cell manufacturing and Battery Pack assembly with capacities up to 16 GWh and 5 GWh respectively.**

While automotive applications get more visibility, we are also seeing a very strong uptake from industrial applications like Telecom where lithium batteries are finding purchase in select applications where we supply as an alternate to our VRLA batteries. This demand can grow further in a 5G regime which sees a growing number of smaller sites, which plays favourably for smaller and faster charging lithium batteries.

### Operational highlights

The Giga Corridor project in Divitipally, Telangana is progressing on schedule. The facility, spread across 262 acres, will house India's largest Giga Factory for Advanced Chemistry Cell manufacturing and Battery Pack assembly with capacities up to 16 GWh and 5 GWh respectively, and will be able to address both mobility and stationary energy needs. The pack facility has been commissioned and is slowly entering into volume production. We plan to start the first production of cells with a capacity of 2 GWh by the end of 2025-26.

Recognising the critical role of R&D, we are establishing the E-positive Energy Labs, a state-of-the-art innovation and research facility in Hyderabad, Telangana. A significant part of this facility is dedicated to collaborating with customers, supplier partners, start-ups and innovation entities to create an ecosystem for innovative technologies. We hope for this to be a model collaboration platform in India that can inspire the creation of many more such facilities for various emerging technologies.

### Partnerships

In our pursuit of technological excellence, we have forged strategic partnerships with premier institutions, such as the IITs and other premier research organisations. These collaborations have led to the establishment of Centres of Excellence, where we undertake relevant research

projects focused on advanced battery technologies.

We continue to be in discussions with prominent global players to explore technology collaborations across the value chain. These partnerships will enable us to leverage complementary strengths and accelerate our product development efforts.

### Advancing Learning and Development

At Amara Raja, we are constantly on the lookout for the right talent to drive our new businesses. To bridge the evolving skill gap in high technology, we have begun recruiting more individuals with international exposure. While doing so, our HR initiatives continue to focus on upskilling and reskilling our existing employee and recruitment bases through collaborations with universities and training institutions, along with internal programmes. While we understand the need to bring in brand new skills to be successful in our new ventures, the Amara Raja model of rural development, social entrepreneurship, and non-migratory job creation encouraging remains forever in our minds, us to find new and innovative ways of bridging our talent needs.

The talent market is evolving rapidly and our HR department has remained equally nimble in adapting to these changes.

I would like to extend my gratitude to our team, shareholders and stakeholders for their continued support and trust. By capitalising

**While we understand the need to bring in brand new skills to be successful in our new ventures, the Amara Raja model of rural development, social entrepreneurship, and non-migratory job creation remains forever in our minds, encouraging us to find new and innovative ways of bridging our talent needs.**

on the opportunities present within the landscape, we ensure that Amara Raja remains at the forefront of the energy transition. We are genuinely excited about the growth prospects ahead and remain committed to driving innovation and sustainability in the energy and mobility sectors.

Best regards,

**Vikramadithya Gourineni**  
Executive Director  
New Energy Business







MANAGEMENT DISCUSSION and  
**ANALYSIS**



# Management Discussion and Analysis

## Economic Overview

### Global Economy



increased capital inflows from foreign institutional investors.

It is encouraging to note that consumer price indices are improving, with the easing inflation and improving consumer confidence in the advanced economies. The transition towards electric vehicles is reshaping global manufacturing activity and trade patterns as countries aim to reduce carbon emissions from transportation. This shift has led to a surge in worldwide demand for electric vehicles and associated components such as batteries and semiconductors.

The global economy demonstrated remarkable resilience in CY 2023, growing at a rate of 3.2%, despite geopolitical headwinds and volatility in commodity prices, resulting in inflation across advanced and emerging economies. To curb inflation, the Central Banks of major economies resorted to calibrated interest rate hikes.

capacities and supply chains, may pose an underlying threat to global economic growth.

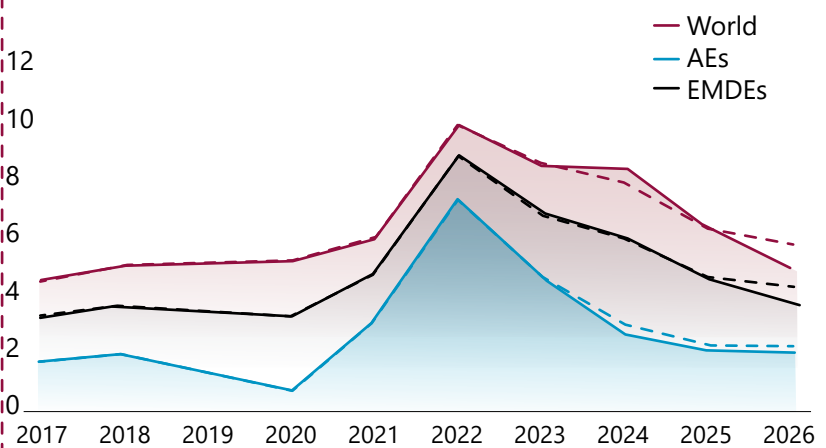
However, many emerging economies such as India, Vietnam and Mexico experienced robust growth, along with

Inflation rates decreased rapidly than anticipated from their peak in CY 2022, resulting in gradual growth in the economic activity and employment in the US, Europe and other emerging economies. However, geopolitical tensions continued to disrupt supply chains and global trade and commerce.

The economy of China also continued to demonstrate stress during the course of 2023, which is likely to continue in 2024. China, being a large economy with huge manufacturing

### Headline Inflation Outlook (2017-2026)

Figure 1.15 Inflation Outlook: Falling (Percent; solid = April 2024 WEO, dashes = October 2023 WEO)



## Outlook

The global economic outlook is currently uncertain. Although there are early indications suggesting a potential for gradual recovery and stabilisation, this outlook remains cautious due to ongoing geopolitical challenges in Europe and West Asia. Inflationary pressures, while expected to ease eventually, may still cause periods of volatility in the near future. This necessitates a cautious approach, with close monitoring of both internal and external factors to effectively navigate the evolving economic landscape.

Global trade volume (goods and services) is projected to grow modestly by 3% in CY 2024 and 3.3% in CY 2025, respectively (Source: IMF). The collective policy responses of governments and the resilience of economies worldwide will be instrumental in shaping a sustainable and inclusive growth trajectory in the months ahead.

### Indian Economy<sup>3</sup>

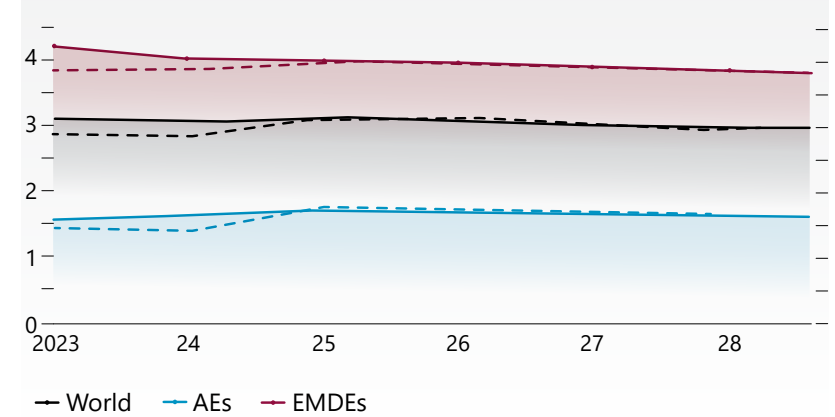


During FY24, India's economic growth remained resilient, amid global headwinds. The government has significantly contributed to the country's infrastructure expansion through increased capital expenditure (Capex) in railways, roadways, airports, and ports.

According to the National Statistical Office (NSO), India has registered a real GDP growth of

### Global GDP growth outlook (%) (2023-2029)<sup>2</sup>

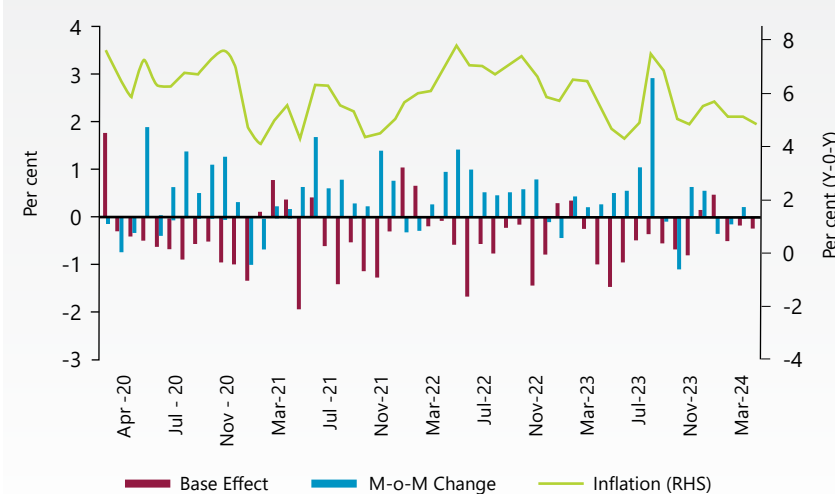
Figure 1.14 Growth Outlook: Broadly Stable (Percent; solid = April 2024 WEO, dashes = October 2023 WEO)



over 8.2% during FY24. India's per capita disposable income has been rising over the years and is expected to be ₹2.14 lakh in 2023-24,<sup>4</sup> driven by overall economic growth. This

rebound in economic growth can be attributed to India's sound macroeconomic fundamentals, burgeoning domestic demand and prudent monetary policies implemented by the RBI.

### Movements in Headline Inflation



Note: April and May 2020 data were imputed by the NSO  
Source - Ministry of Statistics and Programme Implementation

<sup>2</sup>World Economic Outlook, IMF, April 2024

<sup>3</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2010223>

<sup>4</sup><https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/ORBIBULLETINMARCH202458712F02817A4E559390725E98067348.PDF>

<sup>1</sup><https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

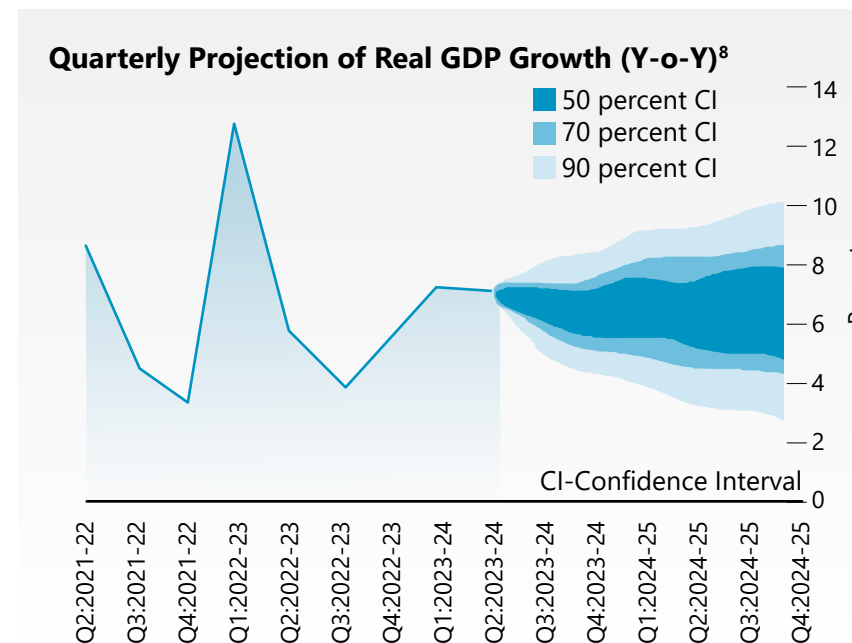
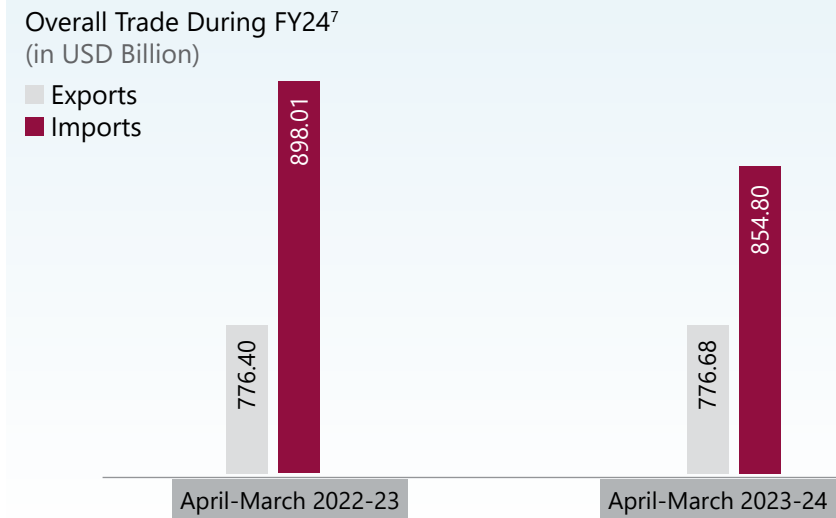
The manufacturing sector emerged as the primary driver of industrial Gross Value Added (GVA) growth, recording a steady growth rate of 11.6% during FY24. The declining inflation and greater credit demand underpin the inherent optimism in the economy. Headline inflation, as measured by the year-on-year

changes in the all-India Consumer Price Index (CPI), remained stable at 5.1% in February 2024.

Moreover, easing supply-side constraints coupled with the government's consistent emphasis on capital expenditure and increased reliance on domestic demand have kept the Indian

economy relatively shielded from macroeconomic shocks. The gross GST collection during April-February FY24 stood at ₹18.4 lakh crore, registering an impressive 11.7% increase compared to the corresponding period last year.

India has emerged as an alternative to China and is set to become the third-largest economy in 2027 in USD at the market exchange rate. Merchandise exports witnessed a seasonal peak in March 2024, coinciding with the peak in industrial production. Notably, there has been greater capacity utilisation across the manufacturing sector, fuelling economic growth. The Government has also announced several measures and made substantial investments to ensure the welfare of farmers and bolster the agriculture sector.



**Outlook**

Notwithstanding a volatile global macroeconomic environment, the outlook for the Indian economy remains optimistic. Exports are projected to reach USD 776.68 billion in FY24, marginally higher

than the USD 776.40 billion achieved in FY 2022-23. Strong fundamentals, such as political stability, enhanced government focus on public capex, gradually increasing private capex, growing credit demand, low debt levels and deleveraged balance sheets of most companies, are expected to substantially contribute to economic growth. India's economic growth is supported by a very strong banking and financial services sector.

India is fast emerging as a preferred manufacturing hub, catering to global demand for manufactured goods and the China+1 strategy of global OEMs to secure their supply chains is working in favour of India. Being a huge consumption-driven domestic economy with growing export opportunities, India is likely to surpass the rate of growth of major global economies in the years to come.



<sup>5</sup><https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/ORBIBULLETINMARCH202458712F02817A4E559390725E98067348.PDF>

<sup>6</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2001124>

<sup>7</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2017942>

<sup>8</sup><https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/ORBIBULLETINMARCH202458712F02817A4E559390725E98067348.PDF>

<sup>9</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2017942>

## Automotive Battery Business

Our advanced technical know-how produces highly reliable, zero-maintenance and long-lasting batteries for passenger vehicles, two-wheelers and low-maintenance batteries for three-wheelers, commercial vehicles, farm vehicles and home UPS/inverters. Due to our continued commitment to R&D, our excellent product quality, performance and service assistance, we are recognised as a 'preferred brand' by many leading vehicle manufacturers (OEMs) in India.

Our batteries for passenger vehicles and 2Ws come with Zero Maintenance whereas 3W, Commercial farm and Home UPS are known for being low maintenance. Beyond domestic borders, our products are trusted in over 50 countries worldwide, supported by a robust distribution network. This strategic framework enables us to deliver exceptional value and meet the evolving needs of our global clientele effectively.

### Key Facts

**1**  
**Pioneers**  
in manufacturing AGM motorcycle and car batteries in India

**2**  
**Largest**  
player in the automotive aftermarket battery segment in India

**3**  
**First**  
to manufacture stamped grid motorcycle batteries in the world



**67%**  
Revenue Share in Overall Revenue

### You Know Us As



Amaron™



PowerZone™



ELITO



**Performance in FY24**

Driven by tremendous resilience, innovation and robust demand, the Indian automobile industry recorded one of its best-ever performances last financial year. Aligned to our user segments, we also registered a stellar performance.

**OE Performance**

Driven by pent-up demand and a steadier supply chain, our OEM business witnessed a surge with double-digit growth across both cars and motorcycles segments.

Our longstanding partnerships with leading OEMs across automotive segments have yielded robust sales volumes, underscoring our commitment to long term growth. Looking forward, we are investing in the development of advanced products tailored for hybrid and emerging technology vehicles, currently undergoing testing both internally and with our OEM partners.

**Aftermarket Performance**

In the aftermarket segment, we achieved double-digit growth in both the four-wheeler and two-wheeler categories. It showcases customer preference for our brands. This success has elevated our market share significantly in both segments, solidifying our position with the highest market share in both four-wheeler and two-wheeler segments.

**Double-digit growth**

in both 4W and 2W categories

**Highest market share**

in both 4W and 2W categories

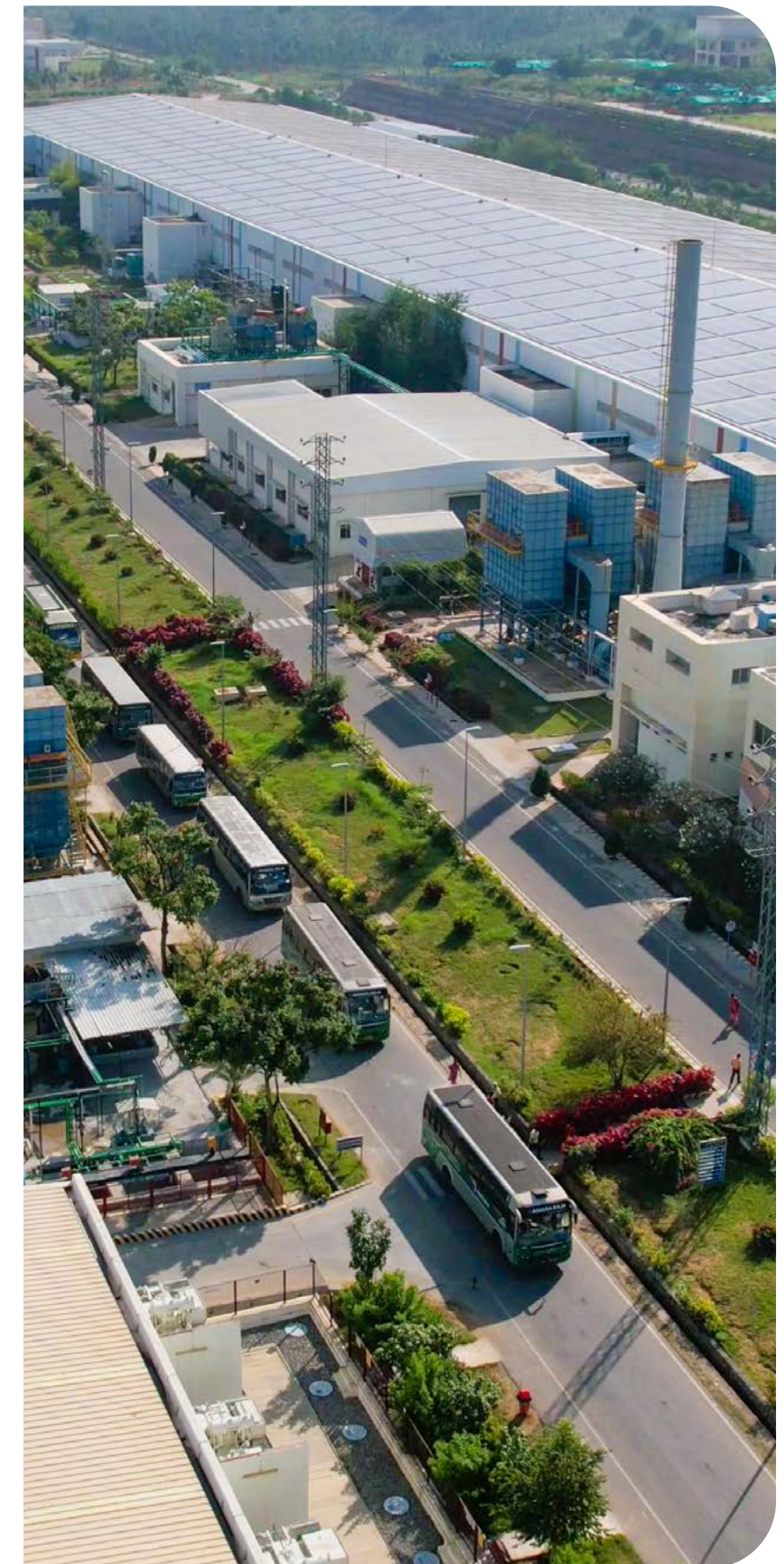
**Digitisation**

Amidst widespread global supply-chain disruptions, the digital transformation of our supply chain has evolved from optional to essential. In FY24, we made substantial investments in digitisation, aiming to streamline inventory tracking and order management and optimising transportation routes. This strategic initiative ensures real-time visibility across our extensive supply chain, enabling informed decision-making. Our efforts include piloting a replenishment model now ready for full-scale implementation and initiating CRM integration on the 'Salesforce' platform.

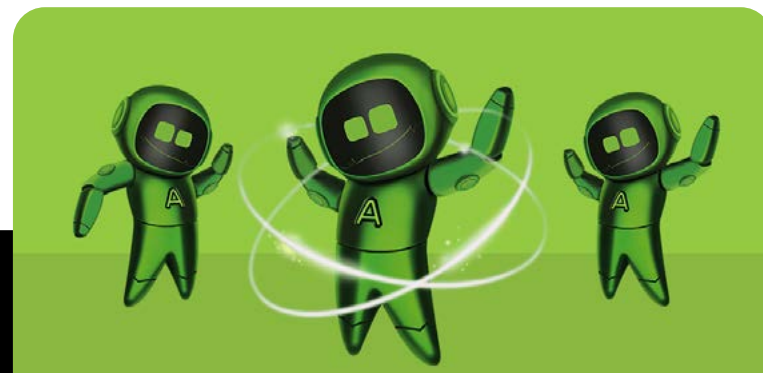


**Outsourcing**

To meet the rising demand for tubular batteries used in home inverter applications, we have outsourced our manufacturing to quality-focused vendors, ensuring stringent oversight of production processes and maintaining high standards of quality control. Simultaneously, we also launched a new range of lubricants catering to diverse vehicle categories—including motorcycles, passenger cars, agricultural machinery, and commercial vehicles—covering petrol, diesel, and CNG engines, leveraging outsourced manufacturing capabilities.



**Brand initiatives**



We launched our brand mascot

**'The RONs'**

'The RONs represent energy in its powerful, modern and sustainable form. Created in Amaron's green brand colour, 'The RONs' are surrounded by rings of energy that represent the power our batteries deliver.



## Opportunities and Optimism

- ▶ **Economic Growth** - Despite concerns over economic conditions, the battery market size is expected to reach USD 15.65 billion by 2029, growing at a CAGR of 16.80% during the forecast period (2024-2029).
- ▶ **Market Expansion** - The Indian Automotive Industry, valued at US\$222 billion and contributing 8% to the country's exports, is expected to grow to US\$300 billion by 2030. It currently constitutes 7.1% of India's GDP.
- ▶ **Vehicle Penetration** - ~30 vehicles per 1,000 people is well below global norms and is expected to continued to grow.
- ▶ **Demographic Advantage** - India is set to become the world's youngest nation by 2025, with an average age of 25 years. This demographic dividend is anticipated to drive significant consumer demand, particularly among the burgeoning middle class, as disposable incomes rise.
- ▶ **R&D Leadership** - India leads in global engineering and R&D spending, accounting for 40% of the total \$31 billion expenditure. The automotive sector alone contributes 8% of India's R&D investments, fostering innovation and technological advancements.
- ▶ **Atmanirbhar Bharat Abhiyaan (Self-Reliant India Initiative)** - The Make-in-India initiative aims to bolster domestic manufacturing capabilities and reduce dependence on imports. Government initiatives, including the ₹ 20 lakh crore special economic package, are geared towards strengthening the automotive manufacturing ecosystem.
- ▶ **Government Support** - The Production-linked Incentive (PLI) scheme, with an outlay of \$3.5 billion, offers up to 18% financial incentives to boost advanced automotive technology manufacturing domestically. Additionally, funds allocated for replacing old vehicles and ambulances are expected to stimulate new vehicle sales and modernisation efforts.

### Prospects for each segment within the automotive sector

**Passenger vehicles** - India is the world's third-largest car market, which aims for a USD300 Billion milestone by 2026. This reflects a robust expansion driven by increasing consumer demand and economic development.

**Two-wheelers** - Jefferies forecasts a bright future for India's two-wheeler manufacturers, anticipating faster growth compared to the passenger vehicle segment over the next two years. While the market share of sub-125cc two-wheelers is expected to decline from 52% in FY22 to 45% by FY26, premium scooters and bikes are forecasted to increase their share from 44% to 53%, underscoring a shift towards higher-value segments.

**Trucking** - India's trucking industry is poised for significant growth, with expectations that the market size will multiply nearly four - fold by 2050. Starting from 4 million trucks in 2022, the number is projected to exceed 17 million by mid-century, driven by expanding infrastructure and logistics demands.

**Replacement** - A study by the Central Pollution Control Board (CPCB) indicates that by 2025, India may see up to 22 million end-of-life vehicles (ELVs) requiring recycling. This substantial volume of obsolete vehicles underscores a growing market for replacements, driven by regulatory mandates and consumer preferences for newer, more efficient models.

## Domestic Business Strategy

Within the automotive domestic business unit, we have identified three focus units: Automotive Batteries, Home Energy, and Allied Products. Despite the growing interest in electric vehicles and alternative energy sources, lead-acid batteries remain integral to our strategy.

### Domestic Market Focus

**OEM Relations** - Strengthening partnerships with OEMs to increase wallet share by providing tailored solutions.

**Aftermarket Expansion** - Expanding our footprint across the country to establish closer proximity to vehicle owners and users, thereby enhancing market penetration and service delivery.

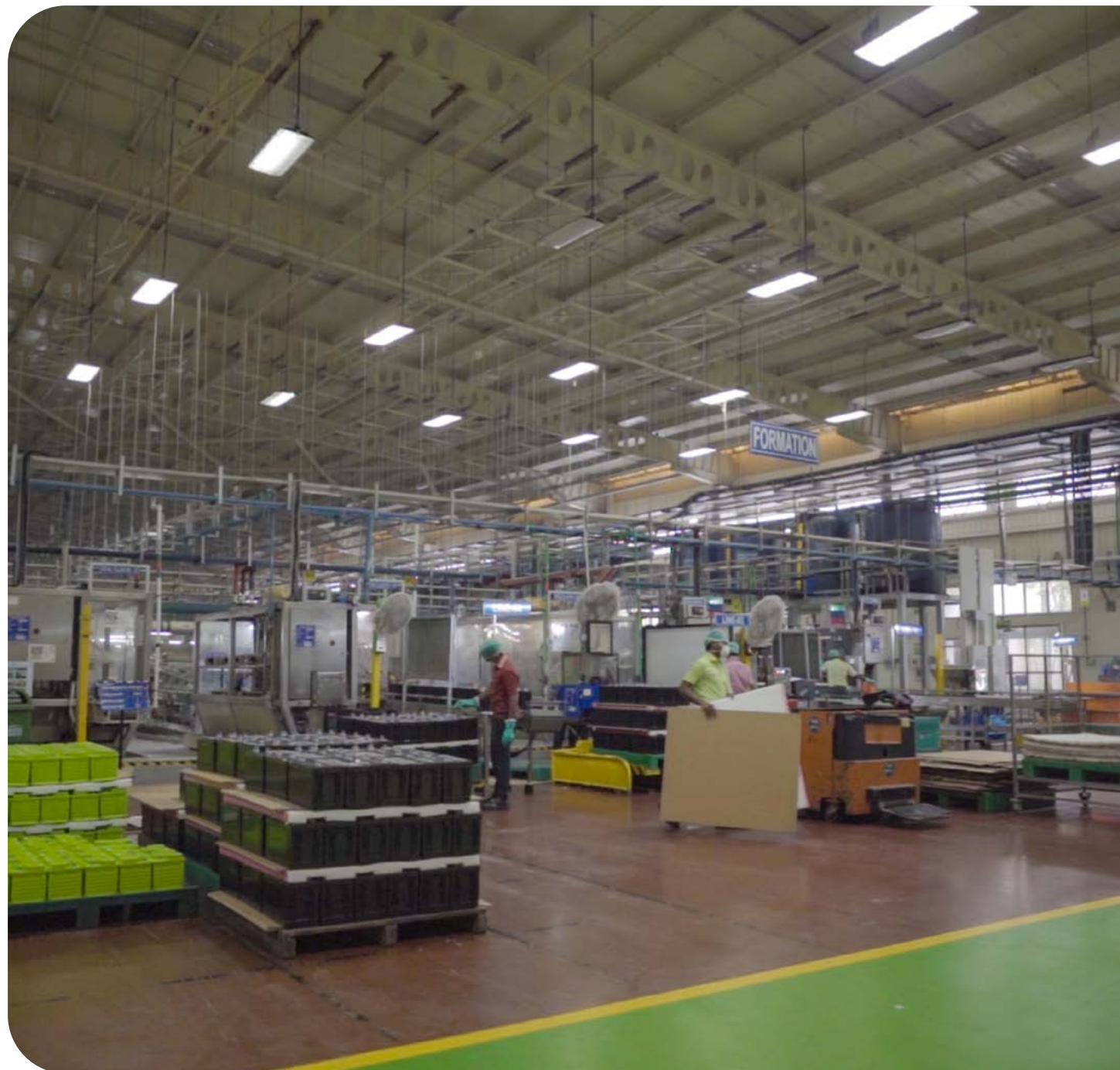


## Business Risks

Risks	Description	Mitigation Measures
<b>Market Risk</b> 	A decrease in demand could adversely impact business prospects, requiring proactive strategies to mitigate potential losses.	Our robust presence in the domestic automotive sector diversifies risk by buffering against declines in any single segment. Additionally, our ongoing global expansion endeavours enhance resilience by reducing exposure to sectoral downturns in specific geographic markets.
<b>Operational Risk</b> 	Attrition of talent poses a critical risk impacting business operations, requiring robust strategies for retention and succession planning.	Creating an energising workplace culture, maintaining a harmonious balance of authority and responsibility, fostering open communication platforms, promoting active participation, and emphasising continuous knowledge development are essential factors that facilitate talent retention within the division.
<b>Cost Risk</b> 	Inflationary pressures could significantly impact the division's cost structure, posing potential financial challenges.	Key costs include lead and energy. We negotiate globally with lead suppliers to secure favourable rates and are actively increasing the use of recycled lead, which is both cost-effective and environmentally sustainable. Additionally, our strategy of sourcing more energy from renewable sources has effectively capped its overall energy expenses.

**International Business**

Towards the conclusion of FY24, our Automotive Batteries' market footprint extends to over 50 countries worldwide. Amaron™, PowerZone™ and ELITO™ stand tall as a testament to India's manufacturing excellence of 'Make in India' success. This journey has not only elevated the standards of automotive batteries from India but has also played a pivotal role in enhancing the global perception of products bearing the 'Made in India' label.



**Global Market Landscape**

Over the past year, the global automotive industry navigated a landscape shaped by economic fluctuations, technological advancements, regulatory changes and shifting consumer preferences. Amidst these challenges and opportunities, our International Automotive Battery Business excelled in FY24, driven by innovation, strategic product launches, and successful expansion into new regions. This performance translated into robust double-digit growth in both sales and revenues.

Having firmly established our footprint in the Indian Ocean Rim (IOR), we are now poised for global expansion. Our

recent entry into the USA, the largest automotive battery market globally, in FY24 marks a significant milestone. Looking ahead, our focus extends to capturing additional markets across the Americas and Europe.

To support our global ambitions, we have restructured our Sales and Marketing operations into four distinct business blocks, each led by dedicated Business Heads stationed in key markets worldwide. This strategic realignment, overseen by our Automotive International CMO, enables us to tailor our strategies precisely to meet the unique demands and capitalise on the opportunities present in each market.

Simultaneously, efforts are underway to enhance our distribution networks in existing markets while swiftly establishing a presence in new territories. This strategic approach positions us to effectively leverage our strengths, drive sustained growth, and further solidify our leadership in the global automotive battery sector.

**Product Introduction**

We introduced products that **adhere to BCI standards** alongside our existing JIS and DIN standard offerings. ARE&M is rapidly expanding its product portfolio. These products incorporate the cutting-edge, proprietary

**'Duraframe™'**

technology. Later generation technologies have been introduced viz., EFB and AGM to serve evolving segments.



**Importance of AGM and EFB Technology for the International Market**

In the international automotive market, AGM and EFB battery technologies have become pivotal due to stringent regulations on tailpipe emissions and fuel efficiency. These mandates have driven the evolution of idle start-stop vehicles, necessitating batteries with higher cycling endurance and efficient charging capabilities. AGM batteries, employing Advanced Glass Mat technology, offer enhanced durability and efficiency, making them ideal for modern automotive demands. Major original equipment manufacturers (OEMs) are increasingly adopting AGM batteries to support idle stop-start performance and effectively manage increased electrical requirements.

Similarly, Enhanced Flooded Battery (EFB) technology significantly advances traditional flooded batteries. EFB batteries are particularly suited for vehicles equipped with start-stop technology, as they can handle frequent engine starts and accept charging across varying states of charge (SOCs). This capability has led many global vehicle manufacturers to integrate EFB batteries into new models featuring mini and mild hybrid technologies. AGM and EFB batteries are poised to play crucial roles in meeting these evolving requirements as the automotive industry continues to prioritise performance and environmental standards.

**Application-focused Products**

We specialise in application-focused products tailored to specific needs. Our Marine batteries are engineered to meet withstand the challenging conditions of sea travel, providing superior starting capability and deep cycling capacity essential for marine electrical systems. The recent introduction of Amaron Pearl enhances our portfolio for leisure marine applications, expanding our presence in global markets.

In the automotive sector, auxiliary batteries have become indispensable components within complex electrical systems, crucial for functions in Start-Stop and EV-equipped vehicles. The introduction of auxiliary batteries gets ARE&M on par with global brands in the next-generation vehicle market.

**Expanding Customer Base**

The introduction of PowerZone™ and Elito brands extend our market reach across the entire product portfolio. This strategic

initiative aligns with our goal of targeting various markets and customer segments, enhancing our competitive standing. By offering a comprehensive array of products under these brands, we enhance our presence in the competitive market landscape, effectively meeting the needs of various customer segments.

**Brand Awareness and Marketing Activities**




Our brand awareness and marketing strategy encompasses a comprehensive approach aimed at enhancing the visibility of our brands. This includes active participation in international exhibitions, the establishment of AMARON PitStops and Power Zone stores, and a variety of above-the-line (ATL) and below-the-line (BTL) activities across diverse countries.

Strategically leveraging social media platforms allows us to engage a global audience effectively. By maintaining a strong presence both online and offline, we maximise our outreach efforts, ensuring our brands resonate widely and build lasting customer loyalty.



Inauguration of the **World's largest AMARON PitStop in Kuwait** by the Indian High Commissioner, Dr. Adarsh Swaika.

**Business Risks**

Risks	Description	Mitigation Measures
 <p><b>Market Risk</b></p>	Potential decline in demand due to geopolitical instability poses significant uncertainties for business continuity.	Launching innovative products aimed at expanding into new markets, applications, and geographical regions serves to diversify and mitigate fluctuations in demand effectively.
 <p><b>Supply Chain Risk</b></p>	The escalation of lead times and shipping costs impacts operations and customer fulfilment.	To mitigate this, we rigorously implement inventory forecasting and planning to proactively manage potential assignment delays, ensuring on-time delivery despite logistical challenges.
 <p><b>Trade Barrier Risk</b></p>	Anti-dumping duties imposed on Indian-origin products in GCC countries create a competitive disadvantage compared to batteries from the European Union, China, Malaysia, Thailand, Turkey, Bangladesh, Egypt, and others.	Our targeted marketing strategy prioritises value, quality, application relevance, distinctive features, benefits and durability, aiming to enhance overall product lifetime value.  We are also establishing a strong network to efficiently connect with customers, ensuring that our messaging effectively communicates these critical attributes, thereby fostering robust customer engagement and loyalty.
 <p><b>Financial Risk</b></p>	Currency fluctuations, especially currency depreciation and high volatility, present significant challenges for importing countries, potentially affecting economic viability and cost management.	We have appropriate forex risk management policy in place and have established hedging strategies to mitigate the risk posed by currency fluctuations.

## Industrial Battery Business

At Amara Raja, our Industrial Battery Division proudly serves a diverse range of sectors including UPS, Telecom, Railways, and specialty batteries. Renowned for our flagship products such as PowerStack<sup>®</sup>, Amaron Quanta<sup>®</sup>, Amaron Volt<sup>®</sup>, Amaron Sleek<sup>®</sup>, Amaron Brute<sup>®</sup>, and Amaron Solar<sup>®</sup>, we maintain a dominant presence in several industrial segments and continually expand our footprint annually.

Our robust growth is driven by strong momentum in the Telecom, UPS and other emerging sectors.

### Key Facts

**1**  
**Pioneers**  
in VRLA battery technology in India

**3**  
**Leading**  
exporter of VRLA batteries from India

**2**  
**Largest**  
market share in the Indian Telecom Industry battery segment

**4**  
**Highest**  
installed capacity in the Indian Data Centre battery segment



**29%**  
Revenue Share in Overall Revenue

### You Know Us As



PowerStack<sup>®</sup>



Amaron Quanta<sup>®</sup>



Amaron Volt<sup>®</sup>



Amaron Sleek<sup>®</sup>



Amaron Brute<sup>™</sup>



Amaron Solar<sup>®</sup>



**Performance in FY24**

The Industrial Battery Division delivered decent performance with 8% growth, by an initial economic resurgence that boosted demand across various sectors we serve. Though, the final quarter presented some challenges due to a dip in industry capital expenditure (capex). The positive performance from the first three quarters, fuelled by successful project completions, helped mitigate these later headwinds.

**Telecom**

The telecom sector experienced robust growth in FY24, driven by a surge in telecom tower installations, marking a five-year high in lead-acid battery (LAB) demand. This increase was primarily due to extensive new site deployments by infrastructure providers for private operators and the ongoing 4G network upgrades by BSNL. The industry's environmental, social, and governance (ESG) initiatives have spurred a shift towards solar and other alternative energy sources to reduce carbon footprint. However, the rollout of 5G technology faced challenges as operators struggled to monetise investments, resulting in delayed site deployments towards the end of the fiscal year.

A significant drop in lithium-ion battery (LiB) prices, driven by competitive reverse auctions, has accelerated their adoption across the telecom sector. Our strategic offering of Integrated Maintenance Services has enabled us to expand our service capabilities, resulting in increased revenue from repeat orders and service contracts beyond Annual Maintenance Contracts (AMCs) with Major Service Contractors (MSCs).

Despite pricing pressures, the sector recorded double-digit growth in demand, with substantial volume increases from both 5G upgrades and expansion of existing 4G networks. Our proactive field support for customer installations and commissioning has been instrumental in facilitating rapid rollout. Private telecom networks significantly expanded their coverage and capacity nationwide, with selected regions deploying 5G networks utilising lithium batteries.

We have established ourselves as a lithium batteries supplier to major telecom customers during the year. Further trials and pilot studies are ongoing for other customers. We have maintained our leading market position and preferred supplier status in the telecom segment, supported by an expanding, well-equipped service network that enhances customer relationships. Throughout the fiscal year, we received accolades and recognition from telecom and data centre firms, further solidifying our partnership and increasing our market share.

**Outlook**

The demand for lower-capacity batteries is expected to increase in FY 2025 due to advancements in equipment efficiency and load-handling capabilities. Intense competition and falling prices in the Lithium-ion battery market are also expected to accelerate LiB adoption for replacements, potentially reducing reliance on diesel generators.

**Market Dynamics**

- ▶ To manage additional capital expenditure (capex) associated with Lithium-ion battery upgrades, leading telcom players plan a mixed approach in FY 2025, utilising Lead-acid batteries (LAB) for 70% of new deployments and upgrades, and 50% of replacements.

While the outlook for large-scale telecom site deployments is done by operators conservatively keeping the 5G monetisation in view, we remain committed to maintaining market leadership by actively participating in the development and adoption of new battery technologies. We will also focus on providing a

comprehensive solution portfolio, catering to diverse customer needs with LAB and Lithium-ion battery offerings. Additionally, delivering superior customer service will ensure prompt support and maintain strong relationships with our customers in the telecom sector.





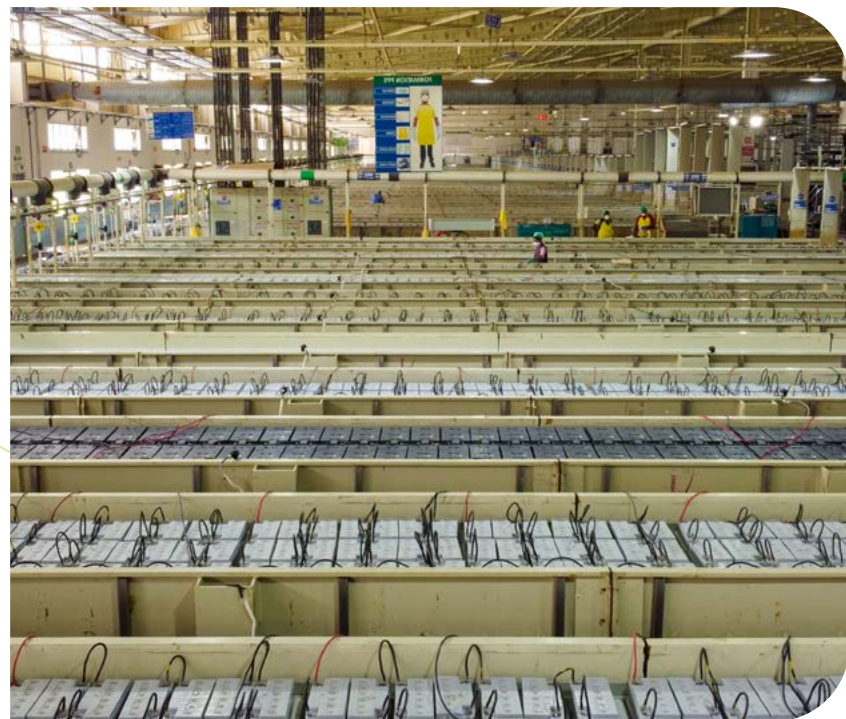
**UPS**

FY24 has been notable for reinforcing the Quanta brand in the IT, data centre, and manufacturing segments, securing many significant accounts and achieving growth that outpaced the industry average. Economic progress sustained the demand for UPS batteries across all user segments, driven by large investments in data centres and numerous government projects.

Owing to our strong market position, we received Annual Maintenance Contract orders from major data centres. Our long-standing relationships with OEM customers and preferential status with end-users contributed to robust growth in the UPS segment. Additionally, our superior performance in previous client engagements led to new orders for data centre applications. To further enhance our market presence, we conducted various field-level

market development activities, including in-house customer seminars, external customer conclaves, and participation in segment-specific exhibitions, which increased our reach and customer acceptance, bolstering business prospects with both existing and new customers.

To strengthen our customer support systems, we launched a new CRM digital tool that significantly improved our turnaround time for after-sales support. We also expanded our reach by partnering with new business partners and reinforcing relationships with existing ones through multiple market promotional programmes. A successful Partners' Meet was organised to celebrate Quanta's 20th anniversary, during which we apprised partners of the brand's journey and future plans. These strategic initiatives have collectively contributed to our successful year and have positioned us well for continued growth.



**Outlook**

- ▶ The market potential is expected to continue growing at a rate of 8-10%, with a significant focus on manufacturing and data centre projects,
- ▶ The penetration of lithium batteries in UPS applications within the data centre and banking segments is increasing, which is slowing down the growth of the lead-acid (LA) battery business to some extent.
- ▶ The commercial launch of new products and variants is expected to help capture market share in low-penetration segments like GeM, which accounts for approximately 15% of the market size and many other critical application segments including Data centres.

**Exports**

Our export business saw moderate sales due to subdued new investments and the migration to lithium batteries (LiB) in Africa and the APAC regions. However, our improved reach in Indonesia and the MEA region significantly boosted sales of our MVRLA batteries, compensating for losses in the Large VRLA segment due to LiB penetration. Declined consumer purchasing power and harsh economic conditions across the African market adversely affected the market potential.

**Outlook**

Our strategic initiatives and product innovations position us to capture growth opportunities across multiple regions and sectors, setting the stage for robust business expansion in the coming years.

The demand outlook in FY25 is expected to be much better than the previous year as the investments are slowly kicking in and network expansions have started happening. Our new product portfolio is also helping to capture the lost ground.





**Indian Market Dynamics**

India's data centre market has witnessed significant growth, valued at US\$4.35 billion in 2021 and projected to reach US\$10.09 billion by 2027. The surge in digitisation and the rise of cloud-based networks are key drivers of this growth. Increased investments in AI, IoT, and Machine Learning are transforming various sectors, including Industry 4.0, fintech, global cities, digital infrastructure, and communications.\*

<https://www.arizton.com/market-reports/india-data-center-market>

**Emerging Segments**

In addition to data centres, other segments are experiencing substantial growth in India:

**Manufacturing Segment**

This mission is driving industrial growth due to Make in India Initiative and creating new opportunities for our battery solutions.

**Specialty Batteries**

We have expanded our specialty batteries segment by adding new customers and channel partners, securing business from reputable companies like Coca-Cola, ITC, Daimler, Aurobindo Pharma and Dr Reddy Laboratories.

**Battery Energy Storage Systems**

To enhance our reach in solar mini/microgrids, we onboarded 21 new channel partners and successfully secured many mini-grid battery projects.

Additionally, we won a significant order for microgrid projects to supply power stack batteries ranging from 100kWh to 146kWh for 18 mini-grid projects in the village of our honourable President Draupadi Murmu. We also installed our first Battery Energy Storage System (BESS) in the Commercial & Industrial (C&I) space with a 389kWh battery in Tamil Nadu and solarised more than 25 health centres in Nagaland through OEMs.



**Outlook**

The industrial and commercial segments have seen a promising emergence of the BESS market, particularly with the significant penetration of renewable energy. Leveraging our expertise in providing batteries for solar and renewable energy applications, we are strategically focusing on carving out this business and have started making significant inroads.

We maintain a solid market share in supplying air conditioning and train lighting batteries to Indian Railways. As the market evolves, we are preparing for a transition to Lithium-ion (LiB) or other advanced chemistry batteries for these applications. In the power sector, we have made significant improvements and will continue to offer advanced VRLA systems while developing advanced chemistry solutions based on application requirements. Our strategy includes focusing on the buyback of old batteries to become end-to-end suppliers and targeting to provide comprehensive systems with allied products, positioning ourselves as a solution provider where necessary.

**Key Drivers Include**

**Government Policies**

MOP policy mandating 4% storage in all Solar Parks by 2030

Time of Day (TOD) policy

Round-the-clock (RTC) policy

Stringent norms on power deliverables from solar parks

**DG Abatement**

Regulations and usage restrictions in metro and major cities

High running costs

**Energy Contingency**

Enhancement of power quality

Safety net against future policy changes

Energy security

Improved energy capture

**Industry and Commercial Exploration**

Differential tariff regimes prompting exploration of BESS solutions with better ROI



**Opportunities**

During the year under review, we secured numerous approvals for our new LiB products from private telecom customers and BSNL, positioning us for growth in the LiB business despite pricing challenges due to imports from China. BSNL's network expansion is expected to gain momentum this year, with new projects converting to lithium while existing sites will continue utilising Lead Acid batteries, presenting significant volume opportunities.

Moreover, we have initiated several pilot studies and Proof of Concept (POC) sites with our Lithium batteries in private telecom, UPS, and other markets. The rapid rollout of 5G services is anticipated to be instrumental in achieving India's economic goal of becoming a US\$ 5 trillion economy<sup>1</sup>. These developments underscore our optimism and strategic positioning in the evolving telecom landscape.

India's telecom network is poised for continued growth in FY25, driving robust demand from the telecom sector. While the shift to Lithium-ion batteries is accelerating, the potential for lead-acid batteries remains strong, particularly with the advent of new 5G projects.

**Robust Demand for Both Chemistries**

- ▶ Rural tele-density indicates potential demand growth from the Rural Sector
- ▶ Highest data consumer market and expected to continue
- ▶ Emerging IOT; use cases and many Application-enabling through 5G

**Attractive Opportunities**

- ▶ 5G growth expected to be 690 million by 2028 accounting for 50% of mobile subscribers.<sup>3</sup>
- ▶ Better ARPU's projected for OPCOs with revised tariffs.
- ▶ 5G enabled generation through enterprise business opportunities in sectors like Logistics, Agriculture, Healthcare, etc.

**Policy Support**

- ▶ GOI initiated Saral Yojana portal to address IP's and Opco's RoW issues
- ▶ FDI up to 100% is allowed in Telecom Services Sector<sup>2</sup>
- ▶ Telecom Ministry working on new data centre bill to enable more numbers of data centres deployment

**Increasing Investments**

- ▶ The Government of India has allocated ₹ 1.39 Lakhs Crores to rollout BharatNet project which aims to provide last-mile connectivity and upgrade existing 1,64,000 gram panchayats, as well as, connect 47,000 gram panchayats under the new model.<sup>4</sup>
- ▶ Indigenous 5G active equipment plants set up in India by Ericsson, Nokia, TechMahindra

<sup>1</sup><https://www.ijfmr.com/papers/2023/6/9162.pdf>

<sup>2</sup><https://pib.gov.in/Pressreleaseshare.aspx?PRID=1566722>

<sup>3</sup><https://www.ericsson.com/en/press-releases/2022/11/ericsson-mobility-report-global-5g-growth-amid-macroeconomic-challenges>

<sup>4</sup><https://telecom.economicstimes.indiatimes.com/news/industry/bsnl-rolls-out-rs-65000-crore-tender-for-bharatnet-phase-3-project/107837848>

**Vertical-Wide Focus**




**Telecom** - Sustain and grow relationships with telecom players, leveraging strong ties in India to secure export opportunities.

**UPS OEMs** - Strengthen business relations and increase market share with UPS Original Equipment Manufacturers (OEMs).

**Data Centres** - Establish a stronger foothold in the data centre segment by addressing the growing demand for reliable power solutions.

**Advanced Technologies** - Develop and introduce products with advanced technologies and chemistries, and secure necessary customer approvals to ensure market readiness and acceptance.

**Business Risks**

Risks	Description	Mitigation Measures
<p><b>Demand Risk</b></p> 	<p>A potential slowdown in battery demand from key user segments poses a risk to business stability and growth trajectory.</p>	<p>India's economic growth, fuelled by digitisation and technological advancements, is anticipated to generate substantial demand for energy backup solutions. Furthermore, as global connectivity expands, the demand for storage batteries is expected to increase exponentially.</p>
<p><b>Technology Risk</b></p> 	<p>Rapid technological changes pose a significant risk to business prospects, necessitating agile adaptation and innovation to maintain competitiveness.</p>	<p>We remain dedicated to innovating and developing cutting-edge solutions tailored to customer needs. This commitment includes investing in niche and pertinent technologies to maintain competitiveness. For instance, our Lithium batteries designed for telecom applications are currently undergoing field trials and are poised for commercial deployment in the near future.</p>
<p><b>Geographic Risk</b></p> 	<p>Over-reliance on a single geographic region may detrimentally affect business prospects and resilience.</p>	<p>We consistently export our products to numerous countries, focusing particularly on the Indian Ocean Rim nations. Recently, we have expanded into developed markets, including the United States. We have also established a robust presence in the Middle East and Africa (MEA) region. This geographic diversification positions us to capitalise on the economic advancements across these regions, thereby reducing reliance on any single market and diversifying risk effectively.</p>



## + New Energy Business

At Amara Raja, we are at the forefront of revolutionising the energy landscape with our new energy business. We focus on harnessing advanced cell chemistry’s potential to develop cutting-edge energy storage solutions. With a detailed blueprint in hand, we are committed to establishing a robust presence in this dynamic space.

Building upon our proven track record in battery technology and commitment to innovation, we are actively developing solutions for the electric vehicle (EV) market, renewable energy storage, and broader energy storage applications. Our investment in lithium-ion cell manufacturing, coupled with advanced engineering capabilities and a user-centric approach, positions us to deliver diverse and customised battery solutions for these growing segments. By optimising manufacturing costs, developing a sustainable supply chain and implementing advanced systems, we are making our products more accessible for customers and driving the rapid transition.

### Key Facts

**1 Developed**  
India’s First 21700 Cylindrical Cell (NMC 811)

**3 Successfully**  
Entered the telecommunications sector by providing solutions to major players BSNL and Telecom.

**2 EV Charging**  
Products and Energy Storage Solutions

**4 Setting up**  
the Positive Energy Labs: With an aim to be a hub for scientists, entrepreneurs, academicians and investors, fostering an ecosystem for innovation

**4 %**

Revenue Share in Overall Revenue

### You Know Us As



DC Fast Charger



Portable EV Charger



2-Wheeler Battery Pack



3-Wheeler Battery Pack

## What Differentiates Us

We are strategically positioned to capitalise on the burgeoning electric mobility and energy storage markets, leveraging our proven track record and commitment to cutting-edge technology.

### Our Deep Preparation

- ▶ **Facility Leadership** - We have India's first lithium battery pack assembly capability and have indigenously developed the nation's first 21700 cylindrical cells (NMC 811).
- ▶ **Lithium Battery Expertise** - Our team has demonstrably cracked the code on lithium cell development (21700 cells) and created a comprehensive portfolio of lithium pack products.
- ▶ **Strategic Site Selection** - We've secured a Memorandum of Understanding with the Telangana government for a gigafactory, and are actively scouting the ideal location for future production.
- ▶ **Strong Government Alliances** - Our established relationship with the Government has yielded an attractive incentive scheme on fixed capital investment.

### Our Value Proposition

- ▶ **Customer Focus** - We leverage our existing, long-term relationships with OEMs and energy storage customers to offer a secure and reliable supply chain. Existing contracts for 2W and 3W battery packs position us for substantial growth, with the potential to reach 2GWh production capacity in FY25. Furthermore, ongoing discussions with multiple major OEMs solidify our commitment to industry collaboration.
- ▶ **Comprehensive Solutions Portfolio** - We cater to the entire energy ecosystem, offering Cells and Packs, EV chargers and Battery Management Systems (BMS), Energy Storage Solutions, Power Electronics for EVs and stationary applications, and Home Energy Solutions.

### Achievements in FY24

In FY24, we achieved significant milestones that underscore our transition from a battery manufacturer to a comprehensive energy solutions provider, leading to our rebranding as Amara Raja Energy & Mobility Limited. Key accomplishments include obtaining statutory approvals (CFE) for the entire Giga Corridor and securing a patent for our 'Intelligent System for Monitoring and Balancing of Battery Voltage.'

### Strategic Plant Location

We have meticulously selected the a new plant location to house our cutting-edge 'Amara Raja Giga Corridor' complex. This strategic hub will be instrumental in propelling us to the forefront of India's clean energy revolution. The ideal location offers several key advantages:

### Proximity to Innovation

**Synergy with e Positive Energy Labs** - Proximity to our advanced 'e Positive Energy Labs' is crucial. This location

will foster seamless collaboration between research, development, and production, accelerating innovation cycles.



### Advanced Infrastructure

**Enabling the Giga Vision** - The chosen site accommodates the ambitious scale of the 'Amara Raja Giga Corridor', encompassing state-of-the-art customer qualification plants and Giga factories. Robust infrastructure is essential to support efficient logistics and a high-volume manufacturing environment.

### Smart Factory Ecosystem

**Optimising Production** - The location facilitates the creation of a 'Smart Factory' ecosystem. This data-driven approach involves real-time monitoring, tracking, and control of the entire production lifecycle, ensuring quality, increased uptime, and reduced costs.

We laid the foundation stone for our new Giga Factory in Telangana in May 2023 after signing a memorandum of understanding (MoU) with the Government of Telangana. This factory will drive our growth in advanced cell technology, with our wholly owned subsidiary, Amara Raja Advanced Cell Technologies Private Limited becoming operational in FY27. Additionally, we are establishing an energy research centre namely e Positive Energy labs.

Our ventures into EV charging solutions and energy storage systems (ESS) have seen substantial growth, with the battery pack and Charging Solution Business surpassing ₹ 500 crores in FY24 and projected to reach close to ₹ 1000 crore by next financial year. We are also set to launch 100% Indian-

built portable EV chargers for two-wheelers, featuring IP67 certification for water resistance, significantly surpassing the competition's IP20 level.

The market for EVs and related technologies is in its early stages but shows promising growth. The two-wheeler market penetration currently stands at 5% and is poised for significant expansion, with expected penetration exceeding 40% in the Indian market by 2030.

The EV market as a whole is projected to cross 15% penetration, driven by increased adoption of electric buses and other vehicles.

### Lithium-ion Battery Packs Assembly

We have developed deep technological competencies in designing customised battery packs for OEMs, establishing a new pack assembly facility at Divitipalli with a current capacity of 1.5 GWh. This facility complements the existing one in Tirupati. A new high-speed assembly line for 2W pack assembly has been established, capable of producing one battery pack every two minutes to expand our product portfolio. Statutory approvals, including those from the Inspector

of Factories and Consent for Operations, are in process.

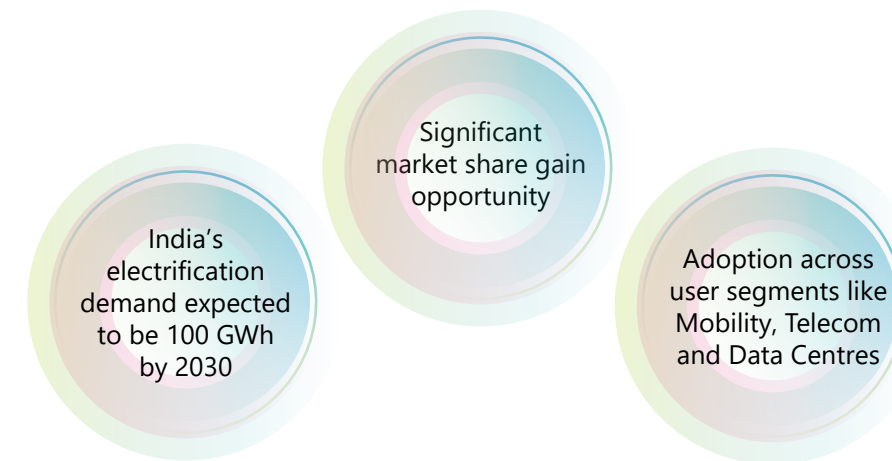
We have successfully onboarded local talent for battery pack assembly and achieved Quality System certification for the ARACT – Pack Assembly Plant, with certifications including IATF 16949:2016 and ISO 9001:2015, validated through a successful surveillance audit.

### Lithium-Ion Cell Manufacturing

We have completed the master plan for the entire Giga Corridor (ARGC-2), incorporating eco-friendly practices including highspeed automated manufacturing lines and solar rooftop installations. We are also installing process equipment for the Customer Qualification Plant (CQP) to produce cylindrical and prismatic models, further adopting advanced technology for all cylindrical form factors. Additionally, collaboration with a top partner has finished the technology transfer for the 21700 model and we are currently assessing partnerships for other models.

A state-of-the-art Customer Qualification Plant (CQP), is set to commence operations in Q1 FY26. Amara Raja has submitted a bid for the ACC PLI Scheme to support cell manufacturing for 10 GWh. These efforts reflect our commitment to advancing lithium-ion cell manufacturing capabilities and establishing a leading position in the industry through strategic partnerships and technological innovations.

### Opportunities and Our Strategy





**Business Strategy**

We are poised to become a leading player in India’s new energy revolution with a comprehensive strategy focused on product leadership, market dominance, world-class manufacturing and a sustainable approach. By meticulously executing these strategies, we will capitalise on the immense potential of the new energy market in India and establish ourselves as a globally recognised leader in the clean energy transition.

**Product Leadership**

- ▶ **Facility Leadership** - We will acquire the know-how to develop and manufacture Lithium-ion cells, battery packs, Battery Management Systems (BMS), and EV chargers.
- ▶ **Best-in-Class Portfolio** - Our focus will be on creating a superior product portfolio catering to both the Electric Vehicle (EV) and Energy Storage Solutions (ESS) markets.

**Market Dominance**

- ▶ **Strategic Partnerships** - We will establish strong, profitable relationships with OEMs to supply cells, packs, and chargers.
- ▶ **Demand Generation** - We will actively generate demand in the e-mobility and stationary storage markets across India.
- ▶ **Pan-India Service Network** - We will build a robust service channel spanning the entire nation.

**Best-in-class Manufacturing**

- ▶ **Giga Factory Network** - We will establish multiple Giga factories with state of the art technology upto 16Gwh by 2030.
- ▶ **Cost Efficiency** - We aim to achieve industry-leading Capex efficiency by benchmarking our Giga factories with global standards.

**Sustainable Supply Chain**

- ▶ **Strategic Relationships** - We will build long-term, competitive partnerships with raw material suppliers to ensure a sustainable and secure supply chain.
- ▶ **Localisation** - We will prioritise maximising the localisation of components and processes.
- ▶ **Circular Economy**-We will forge strategic partnerships to promote circular economy.

**People and Processes**

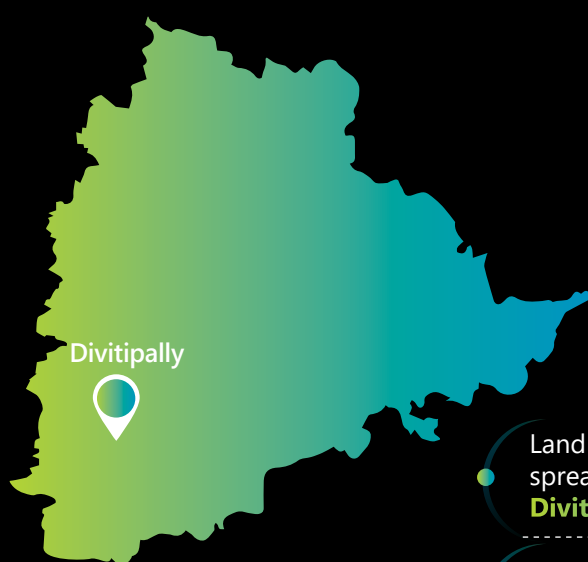
- ▶ **Building a more competent Workforce** - We will establish robust talent acquisition and capability-building programmes to support the Giga scale operations.
- ▶ **Amara Raja 3.0** - We will embrace advanced and digitalization principles to create a high-tech, efficient factory environment.

**Outlook**

We are confident in our ability to capture a significant share of the growing battery market in India. As per the reports, it is anticipated that the total battery demand to reach 100 GWh by 2030. With our planned 16 GWh capacity giga factory, we aim to secure at least a 16% market share by 2030.

This ambitious target will be achieved through a ₹9500 crore investment over the next 5-6 years, establishing a 16 GWh facility. Notably, this investment signifies a significant increase from our historical spending, reflecting our commitment to capturing this domestic opportunity.

**Planned Giga Corridor in Divitipally, Telangana**



- Land allotment completed, spread across **262 acres at Divitipally, Telangana**
- Customer Qualification plant**
- 16 GWH Cell Capacity over the next 5-6 years**
- CAPEX announced – ₹ 9,500 crores**, MoU signed with Government of Telangana
- Setting up e Positive Energy Labs:** a unique innovation and research facility, in Hyderabad, Telangana
- The **second pack** assembly plant has been established and is now **ready for commercialisation.**
- CQP and e Positive energy labs** – Construction commenced and in different stages

We completed the acquisition of Amara Raja Power Systems Limited, effective from September 2023. This is poised to significantly enhance our new energy business by bolstering charging solutions offerings. This strategic move will expand our capabilities in the electric vehicle sector, positioning us to capitalise on the growing demand for sustainable energy solutions.



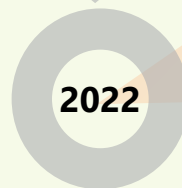
# Our Net Zero Plan

Aligning with our aim of powering transition to a sustainable tomorrow, we aspire to be Net Zero by 2050. To achieve this, we are following a comprehensive Net Zero Road Map, that encompasses phased decarbonization approaches and industry best practices. We have established specific SBTi-aligned Net Zero Targets for reductions, delineating our intentions for the short, medium and long terms

**Base year Emissions (2022)**  
 Scope 1 & 2:  
 2,70,186 MtCO<sub>2</sub>e  
 Scope 3:  
 3,98,112 MtCO<sub>2</sub>e

## Transition to Cleaner Energy

- Energy efficiency projects (1.5% YOY reduction)
- 187 MW RE
- 50% EV (Internal logistics)
- Fuel switchover HSD to Gas
- Refrigerant change to low GWP
- Plantation of 100,000 trees
- Inhouse efficient lead recycling
- Vendor engagement and target setting



Scope 1 & 2  
**30%**  
 reduction from base Year



Scope 1 & 2  
**60%**  
 reduction from base Year  
 Scope 3  
**30%**  
 reduction from base Year

## Accelerating

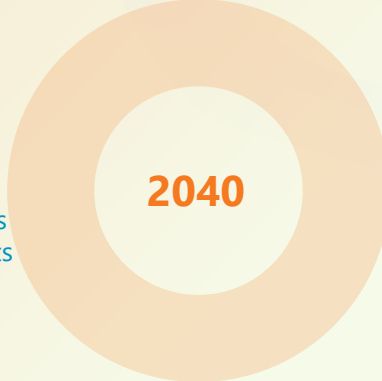
- Energy efficiency projects delivering 1.5% Y-o-Y reduction
- Additional 70 MW RE
- 100% EV for employee and internal logistics
- Tree plantation 1,00,000
- Part procurement from Net Zero committed supplier
- RE for secondary lead smelters
- Logistics decarbonisation (ship/train)
- Nature based solutions



Scope 1 & 2  
**90%**  
 reduction from base Year  
 Scope 3  
**50%**  
 reduction from base Year

## Scaling Up

- 100% firm 24x7 renewable electricity with energy storage
- 100% shift towards electric or hydrogen driven vehicles
- 100% recycled RM
- Tree plantation
- Decarbonization of secondary lead smelters
- Prefer supply chain partners with Net Zero Commitments



## Fulfilling Commitment – Goal '0'

- 100% RE and 100% EV
- Hydrogen and biomass for 100% fuel application
- Tree plantation
- Carbon sequestration and offsetting for remaining
- Engage with supply chain partners with Net Zero Commitments and demonstrable progress
- Scope 1 & 2  
**100%**  
 reduction from base Year
- Scope 3  
**90%**  
 reduction from base Year



**Net Zero**

■ Scope 1 & 2 ■ Scope 3



## Environmental, Social and Governance

Amara Raja Energy & Mobility Limited (ARE&M), the flagship company of the Amara Raja Group, is the technology leader and one of the largest manufacturers of lead-acid batteries for industrial and automotive applications in India's storage battery industry.

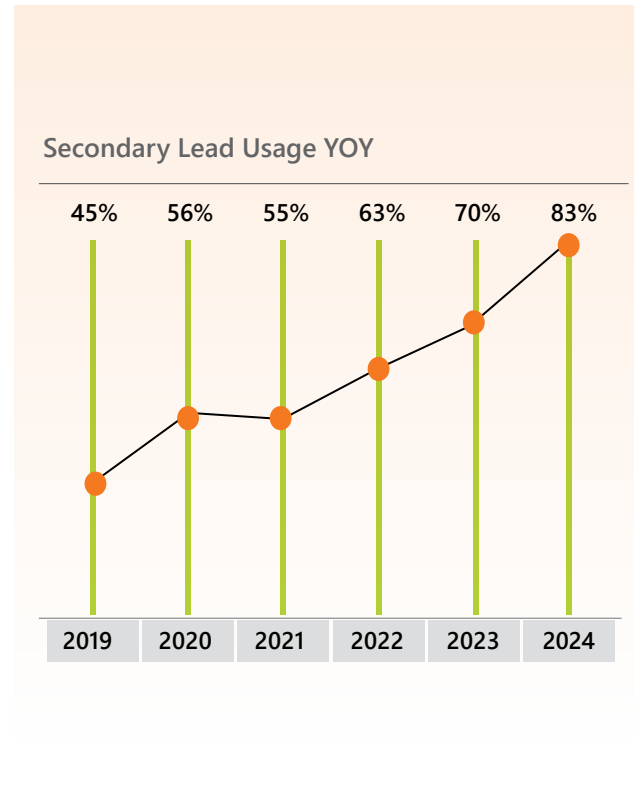
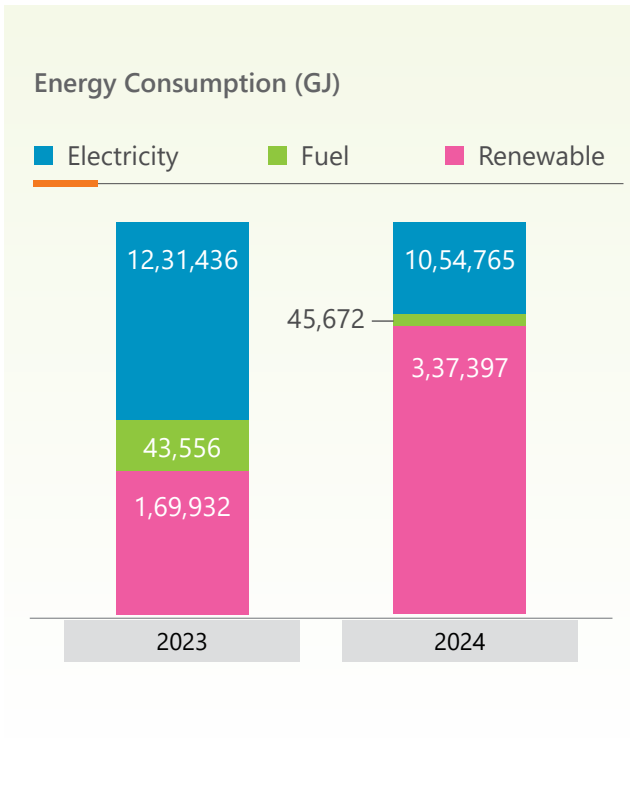


Parameter	Baseline FY22	Target FY24	Performance FY24	Status	Target FY25
Renewable Energy Share	-	25%↑	23.46%	Mostly achieved	25%
Total Emissions (Scope 1 & 2)	270,186 TCO2e	10%↓ (243,167 TCO2e)	216,385 TCO2e	Achieved 19.54% reduction	216,385
Emission Intensity	31.07 TCO2e/₹ Cr	30%↓ (21.75 TCO2e/₹ Cr)	19.22 TCO2e/₹ Cr	Achieved 38.13% reduction	17.06
LCA Studies	Nil	2	2	Completed	No Targets
Fresh Water Consumption	1,139,569 KL	20%↓ (911,655 KL)	907,618 KL	Achieved 20.35% reduction	816,852
Water Consumption Intensity	163.46 KL/₹ Cr	30%↓ (114.42 KL/₹ Cr)	80.60 KL/₹ Cr	Achieved 50.66% reduction	72.57
Waste Intensity	3.25 MT/₹ Cr	20%↓ (2.60 MT/₹ Cr)	2.397 MT/₹ Cr	Achieved 26.21% reduction	8.35% Reduction
Recycled Input Material (Lead and Lead Alloys)	63.49%	80%↑	83%	Achieved	84.31%
Battery Recycling Rate	27%	50%↑	Automotive - 62%, Industrial - 46%	Achieved	Automotive - 70% Industrial - 60%
LTIFR	0.78	60%↓	0.93	Unachieved	20% Reduction
Diversity	10.60	14%↑	10.61	Unachieved	12%
Community Projects		3	3	Completed	5

In the last two months of the financial year, we acquired Plastic Component for Battery Business from Mangal Industries Limited. As per the Management, the two months data is not significant in terms of overall ESG Data and hence not included.

The above targets for FY25 are without considering newly acquired Plastic Component for Battery Business from Mangal Industries Limited.

Key ESG Performance Indicators



### Scope 1 & 2 emissions (MTCO2e)

Year	Emissions (MTCO2e)
FY23	2,49,026
FY24	2,16,385

### Scope 3 emissions (MTCO2e)

Year	Emissions (MTCO2e)
FY23	4,00,948
FY24	4,05,699

### Water Consumption (in KL)

Year	Consumption (KL)
FY23	13,39,332
FY24	9,07,618

### Water Intensity (KL/₹ Cr)

Year	Intensity (KL/₹ Cr)
FY23	129
FY24	81

### Age wise Employment Details

Indicators	FY23		FY24	
	Male	Female	Male	Female
<30	2,764	379	3,187	377
30-50	4,161	412	3,984	485
50	258	19	274	22
<b>Total</b>	<b>7,183</b>	<b>810</b>	<b>7,445</b>	<b>884</b>

### Incident Statistics

Indicators	FY23	FY24
Lost Time Injury Frequency Rate (LTIFR)	0.67	0.93
Total recordable work-related injuries	10	15
No. of fatalities	0	0
High consequence work-related injury or ill-health (excluding fatalities)	0	0

### Waste Details

Parameter	FY23	FY24
Total Waste generated	29,151	26,994.766
Waste Intensity per Crore of turnover (MT/₹ Cr)	2.8	2.39



**ESG Data and Analytics**

We have implemented an ESG software platform that effectively reports and monitors crucial ESG Key Performance Indicators (KPIs), tracks unsafe actions and conditions, and manages incident reporting. This comprehensive tool supports various aspects of sustainability and corporate responsibility by enabling the collection, analysis, and reporting of data related to environmental impact, social initiatives, and governance practices. The software provides a structured framework for incident reporting, allowing for timely responses and mitigation efforts. By leveraging this ESG software, we streamline our sustainability efforts, enhance transparency, and uphold our commitment to responsible business practices.

**Environmental Stewardship**

We have implemented Zero Liquid Discharge (ZLD) systems across our sites to ensure no liquid waste is released into the environment. Our extensive rainwater harvesting infrastructure conserves water and promotes its efficient use. We prioritise recycled materials, utilising recycled lead as input, and have achieved ~95% recycling rate for our manufacturing waste, significantly reducing our waste generation intensity. By implementing ISO 14001, ISO 45001, and ISO 50001 standards, we demonstrate our commitment to occupational health and safety, and energy management, enhancing operational efficiency, safety, and sustainable practices.

Read more on page number **120**



**ISO 50001**

Certification for Energy Management

**Social Responsibility**

Investing in our employees and communities is central to our social responsibility initiatives. We have provided over a million training hours, achieving an 82% employee engagement score, and showcasing our commitment to employee well-being and development. We have invested around ₹ 17 crores in community initiatives towards societal impact.

We foster a diverse, equitable, inclusive, and belonging (DEIB) workplace by attracting, retaining, and growing diverse talent and creating an inclusive environment. Senior leader workshops have been conducted to enhance our DEIB efforts, with targets included in the Business Score Cards and Key Result Areas (KRAs) of key leaders for FY25. Our proactive governance includes ambitious targets for improving gender diversity and reducing the Lost Time Injury Frequency Rate (LTIFR). Recognising that building a culture of safety requires time and effort, we have conducted behaviour-based training for leaders and included leading indicators in our safety scorecards.

Read more on page number **106 & 128**



**ISO 45001**

Certification for Occupational Health and Safety

**ISO 14001**

Certification for Environment Management System

**Governance Excellence**

Strong governance performance is essential for ensuring accountability, fostering stakeholder trust, and supporting sustainable growth and ethical decision-making. Our dedicated Sustainability Committee oversees comprehensive sustainability reports aligned with international standards. We have aligned our IT security practices with ISO 27001 standards, achieving robust protection and zero data breaches.

Read more on page number **074**



**Recognition**

Our ESG ratings reflect our dedication to sustainability, with a maiden CDP rating of 'B' on climate change and improvements in Sustainalytics and Dow Jones Sustainability Index (DJSI). Our efforts have not gone unnoticed, as evidenced by the numerous sustainability awards.

- ▶ Golden Peacock Award for Sustainability
- ▶ Asia Sustainability Reporting Award for our maiden Sustainability Report

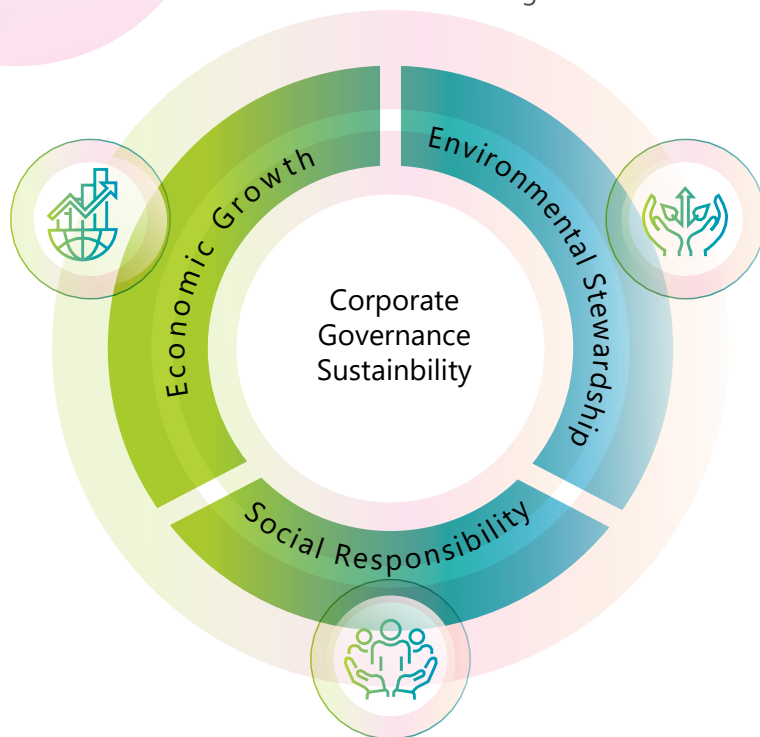
- ▶ Net Zero Impact Award for ARE&M Net zero plan and initiatives
- ▶ CII Gold award for EHS excellence
- ▶ CII - Excellence in Water Management
- ▶ ASSOCHAM - Excellence in Climate Change Mitigation

Also, we actively participate in multiple sustainability forums and organisations to understand sustainability challenges and best practices.



**Capability Building**

We have established a Sustainability Academy for our employees which aims to empower our workforce with the knowledge and skills needed to drive sustainable practices, foster a culture of environmental responsibility, and contribute to our long-term commitment to ecological stewardship and social impact.





To gain a deeper understanding of key issues that can have a material impact on our business, it is essential to have transparent communication with all stakeholders that comprise our customers, employees, value chain partners, investors and communities we work with.

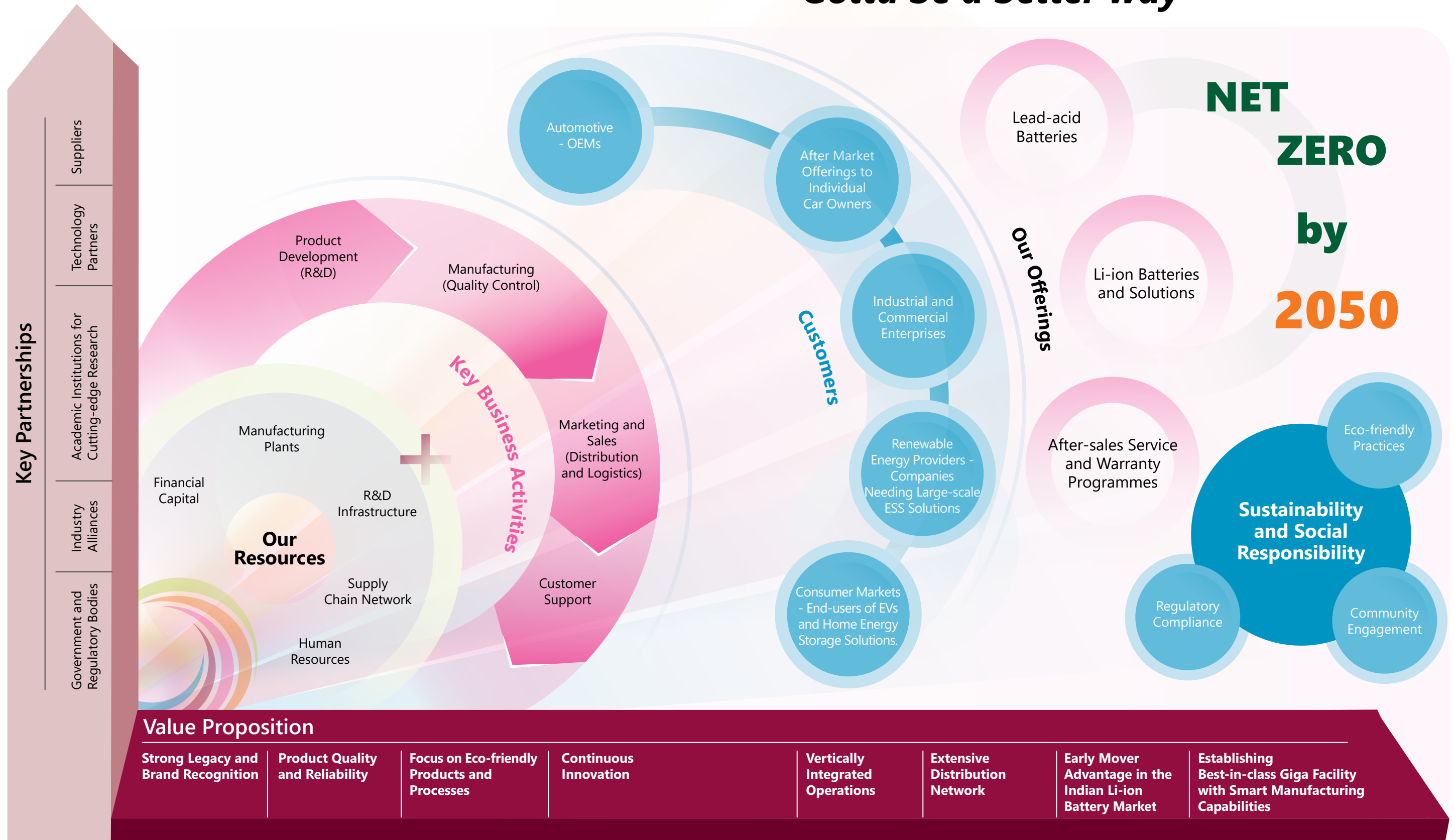
Their expectations and concerns enable us to review and refine our strategic priorities to keep the world in perpetual motion.





# Our Value Creation Model

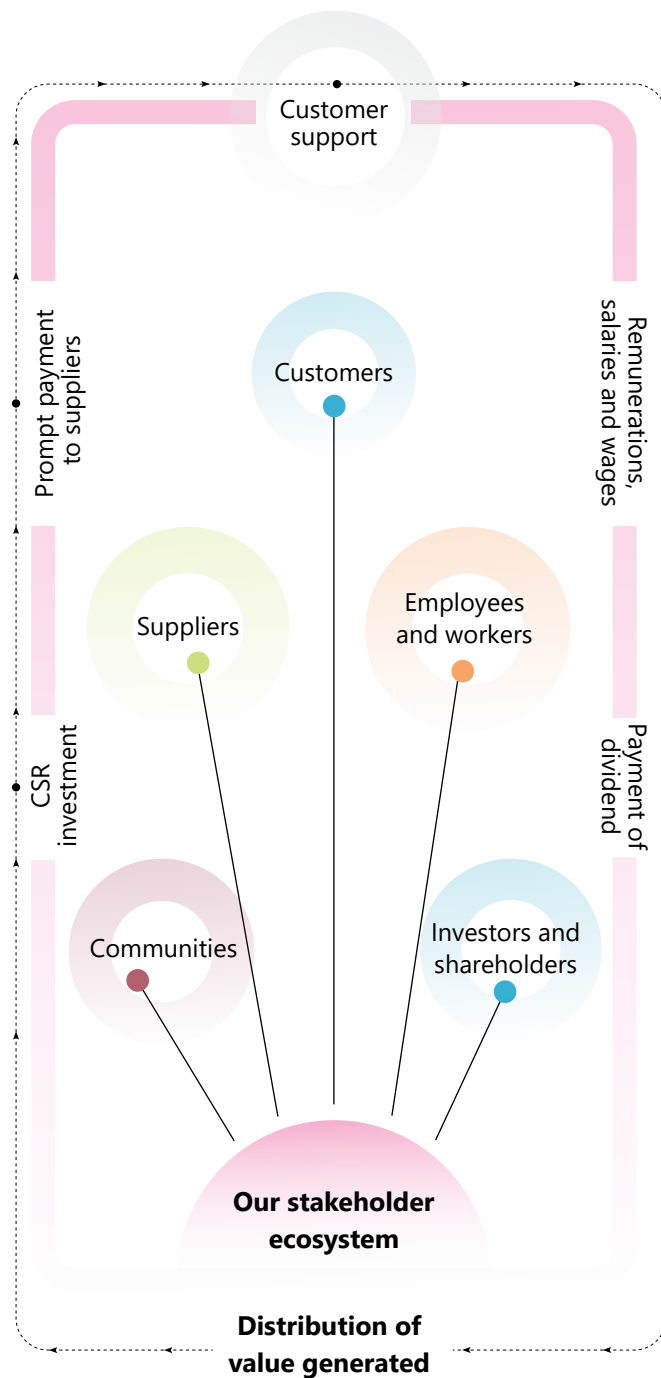
**Gotta be a better way**



# Stakeholder Engagement and Materiality Assessment

## Collaborating with Stakeholders Proactively

We listen to our stakeholders and integrate their insights across all aspects of our operations.



**Customers**

**Capital**

FC HC SRC

**SDG's**

**Why we Engage**

**Relevant material matters**

- ▶ New product launches
- ▶ Customer satisfaction
- ▶ Grievance redressal
- ▶ Service support
- ▶ Product health checks

---

**How we Engage**

- ▶ Regular business meetings
- ▶ Customer satisfaction surveys
- ▶ Advertisements
- ▶ Publications
- ▶ Website
- ▶ Mobile Application and Social Media

---

**Frequency of Engagement**

- ▶ Frequent and Need-based

---

**Initiatives During the Year**

- ▶ Rolled out a cloud-enabled CRM Solution – Salesforce to deepen the relationship
- ▶ Launched the 'Voice of Customer' programme to better understand and meet customer service expectations

Read more on page number **128**

**Employees and Workers**

**Capital**

FC HC SRC

**SDG's**

**Why we Engage**

**Relevant material matters**

- ▶ Talent Attraction and Retention
- ▶ Training and Development
- ▶ Diversity, Equity and Inclusion
- ▶ Employee Engagement
- ▶ Occupational Health and Safety
- ▶ Human Rights

---

**How we Engage**

- ▶ Intranet
- ▶ Company Communication
- ▶ Open Houses
- ▶ Notice Boards
- ▶ Internal Mobile Applications
- ▶ Internal Chat bot and others.

---

**Frequency of Engagement**

- ▶ Intranet – Daily Newsletters
- ▶ Quarterly Newsletters
- ▶ Emails and Company Communication
- ▶ As and when required

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**Initiatives During the Year**

- ▶ Diversity, Equity, Inclusion, and Belonging (DEIB) initiatives
- ▶ Increased investment in learning and development activities

Read more on page number **106**

**Communities**

**Capital**

SRC MC NC

**SDG's**

**Why we Engage**

**Relevant material matters**

- ▶ CSR project delivery
- ▶ Community Engagement
- ▶ Contribution to community welfare
- ▶ Healthier and safer societies
- ▶ Managing community expectations and demands

---

**How we Engage**

- ▶ Rajanna Foundation
- ▶ Krishnadevaraya Educational and Cultural Association (KECA)
- ▶ Community Meetings
- ▶ Newspapers and others

---

**Frequency of Engagement**

- ▶ Frequent and Need-based

---

**Initiatives During the Year**

- ▶ Invested ~ ₹17 crores in community initiatives towards societal impact
- ▶ Emphasised biodiversity through social forestry initiatives

Read more on page number **128**



### Suppliers

**Capital** FC MC NC SRC | **SDG's** 8 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES



**Why we Engage**

**Relevant material matters**

- ▶ Transparency
- ▶ On-time settlement of invoices
- ▶ Fair registration and procurement process
- ▶ Sustained business opportunities
- ▶ Business-related discussions
- ▶ Awareness and training programmes
- ▶ Workshops and seminars
- ▶ Supplier sustainability

**How we Engage**

- ▶ Site visits and inspection
- ▶ Supplier's visits
- ▶ Regular business meetings and supplier meets (including supplier sustainability workshops)

**Frequency of Engagement**

- ▶ Frequent and Need-based

**Initiatives During the Year**

- ▶ Rolled out a cloud-based platform ARIBA to manage all source-to-settle processes
- ▶ Annual rewards for supplier's initiative towards sustainable practices

Read more on page number **128** 

### Investors and Shareholders

**Capital** FC SRC | **SDG's** 1 NO POVERTY 2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING



**Why we Engage**

**Relevant material matters**

- ▶ Financial Performance
- ▶ Ethical, Anti-Bribery and Anti-Corruption practices
- ▶ Economic Value Creation
- ▶ Protection of Stakeholder Rights
- ▶ Robust Strategy for Value Creation

**How we Engage**

- ▶ Quarterly Earnings Calls, Investor Conferences, Company Website, Investor Presentations, Press Releases and Annual Reports
- ▶ Communication of financial results via prominent newspaper advertisements and intimation to stock exchanges
- ▶ Information pertaining to Dividends, Notices and AGM communicated via e-mails

**Frequency of Engagement**

- ▶ Quarterly and need-based
- ▶ Annual

**Initiatives During the Year**

- ▶ Dividends - 990% (₹9.9 per share)

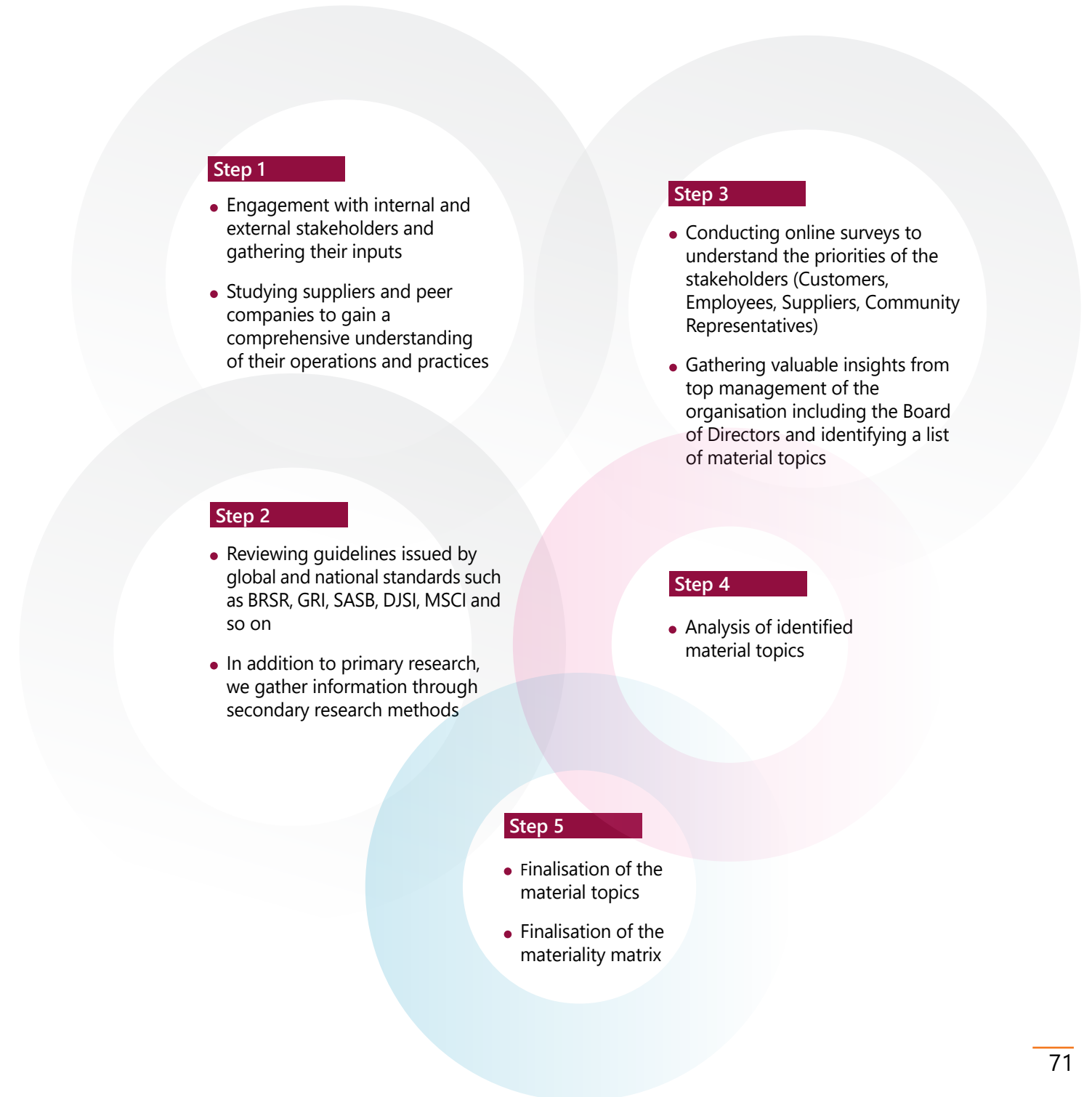
Read more on page number **128** 

### Evaluating Material Issues Core to the Business

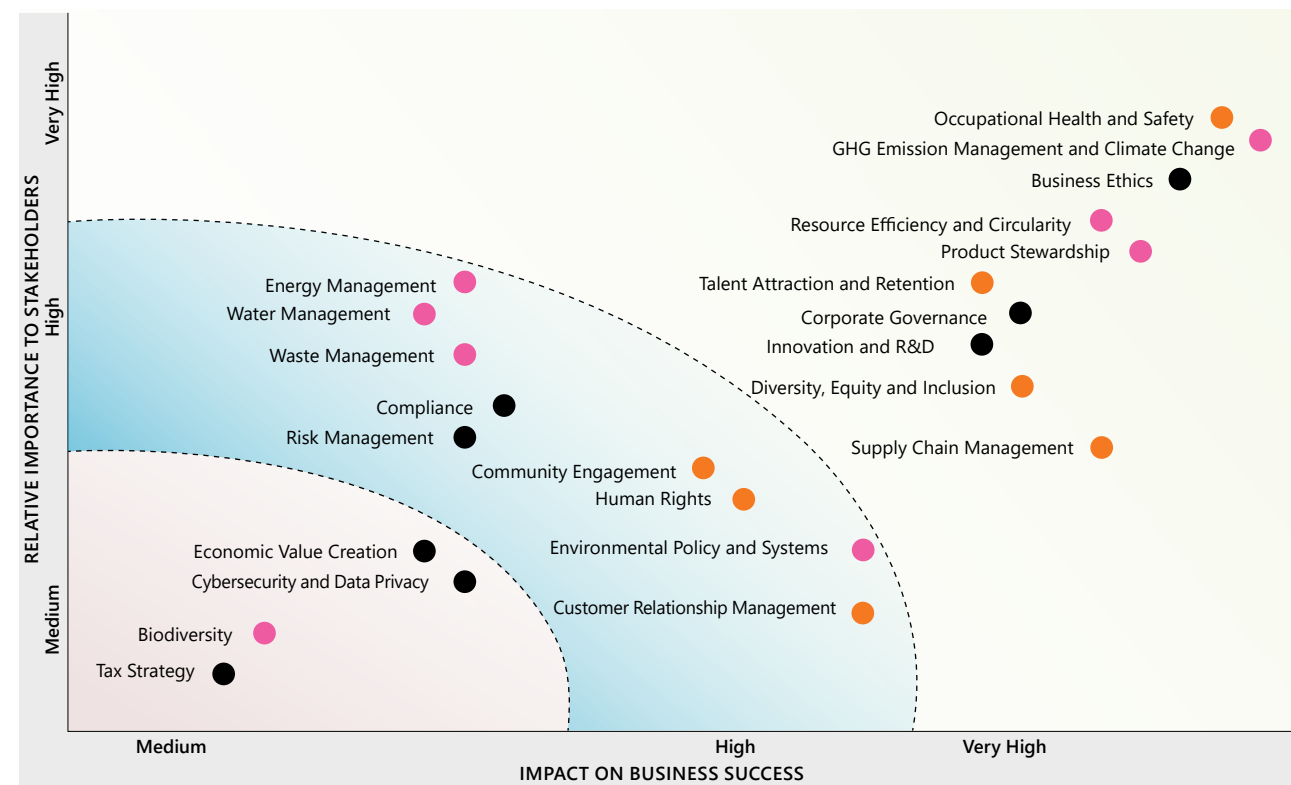
We acknowledge that our long-term success depends on our ability to create shared value that benefits all stakeholders. To achieve this objective, we conduct materiality assessments to identify key environmental, economic and societal issues that could impact operations. This process allows us to address relevant challenges, ensuring our business practices remain responsive and responsible.

#### Materiality Assessment Process

We follow a systematic process for materiality assessment that entails engagement with internal and external stakeholders, including supply chain partners, local community, investors and regulators.



ESG Focus Areas for ARE&M



Social

Very High	High	Medium
<ul style="list-style-type: none"> <li>▶ Occupational Health and Safety</li> <li>▶ Talent Attraction and Retention</li> <li>▶ Diversity, Equity and Inclusion</li> <li>▶ Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>▶ Community Engagement</li> <li>▶ Human Rights</li> <li>▶ Customer Relationship Management</li> </ul>	



Environmental

Very High	High	Medium
<ul style="list-style-type: none"> <li>▶ GHG Emission Management and Climate Change</li> <li>▶ Resource Efficiency and Circularity</li> <li>▶ Product Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>▶ Energy Management</li> <li>▶ Water Management</li> <li>▶ Waste Management</li> <li>▶ Environmental Policy and Systems</li> </ul>	<ul style="list-style-type: none"> <li>▶ Biodiversity</li> </ul>



Governance

Very High	High	Medium
<ul style="list-style-type: none"> <li>▶ Business Ethics</li> <li>▶ Corporate Governance</li> <li>▶ Innovation and R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>▶ Compliance</li> <li>▶ Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>▶ Economic Value Creation</li> <li>▶ Cyber Security and Data Privacy</li> <li>▶ Tax Strategy</li> </ul>

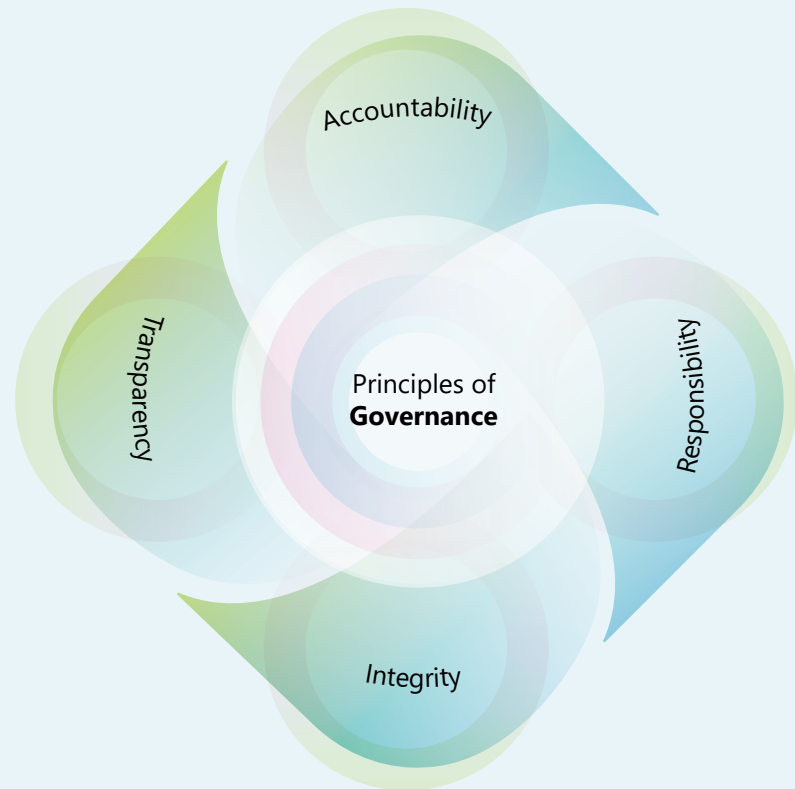


## Governance

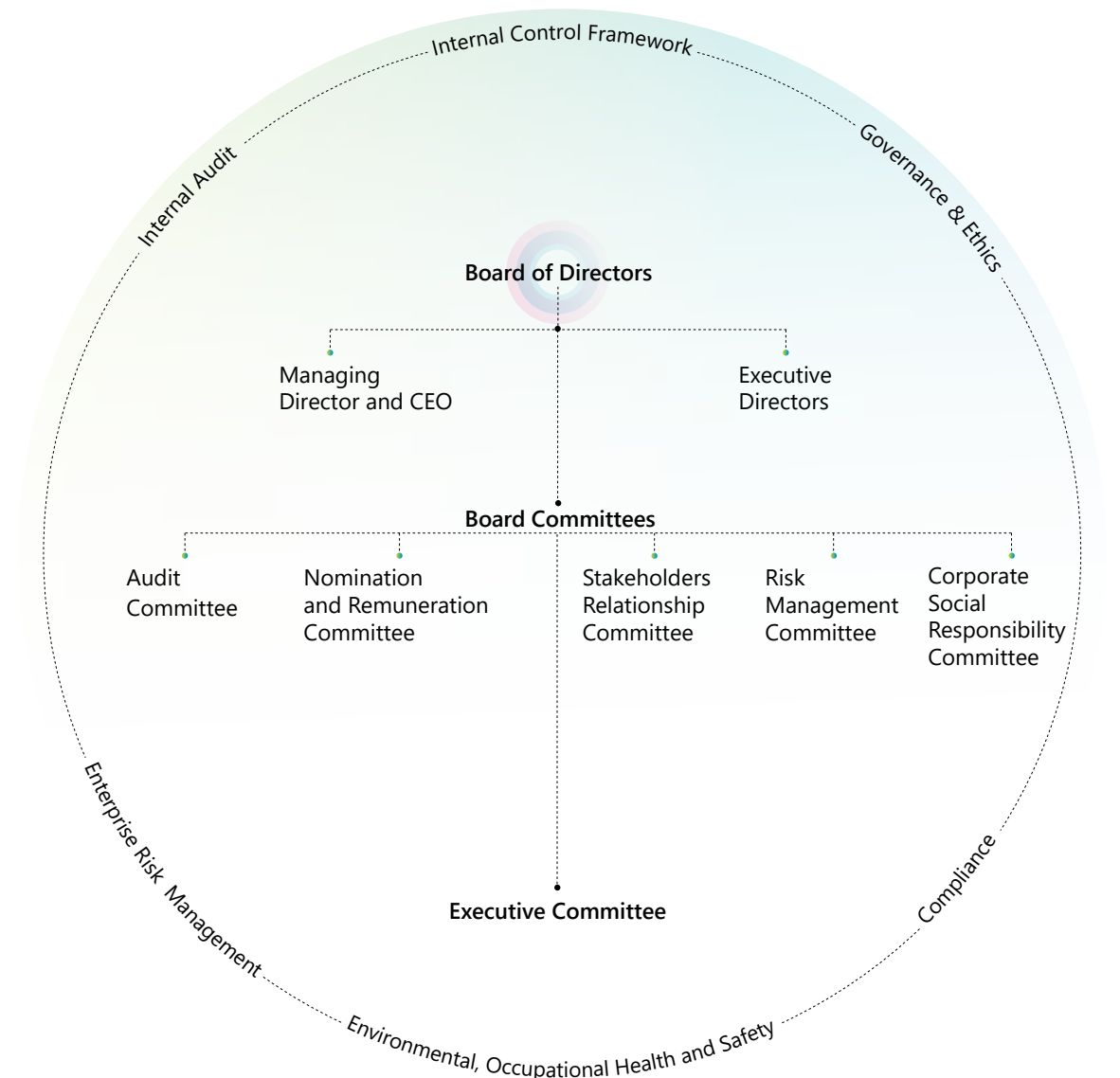
Corporate Governance at Amara Raja is rooted in a commitment to exemplary principles and practices that ensure accountability, transparency, and fairness across all facets of our operations. Governed by Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule V, our approach to corporate governance serves as the bedrock for sustaining long-term success.

Upholding the highest standards of integrity, our governance framework is fortified by robust policies, stringent internal controls, transparent accounting practices, and proactive disclosures.

We prioritise stakeholder interests and societal expectations, reinforcing governance through continuous training and awareness initiatives for employees, thereby fostering a culture of ethical behaviour and responsible decision-making throughout our organisation and subsidiaries alike.



## Governance Structure



### Policies

As part of our commitment to the principles of corporate governance, we have formulated various policies that serve as a framework for decision-making across the organisation.

Weblink to policies - <https://www.amararajaeandm.com/Investors/corporate-governance-policies>

### Code of Conduct

We adhere to a Code of Conduct that applies to both directors and senior management personnel. This code, which is available on our website, outlines expected behaviour and ensures ethical decision-making. All directors and senior management personnel have affirmed their compliance with the code for the financial year ending March 31, 2024.

### Sustainability Committee

We have established a Sustainability Committee to define the ESG Roadmap and monitor its progress on a periodic basis. This Committee comprises of the key officials including Chief Sustainability Officer and is chaired by the Executive Director.

## Board of Directors

At Amara Raja, the Board of Directors hold a central position in the Company's leadership. They are responsible for setting the strategic direction, guiding new initiatives and overseeing the financial and operational performance. The board is comprised of distinguished individuals with a wide range of expertise, ensuring a well-rounded perspective. These directors take their fiduciary duties seriously, working to meet stakeholder expectations and set the overall tone for our corporate strategy. Their combined experience and knowledge contribute significantly to effective governance throughout ARE&M and its subsidiaries.

### Core Competencies of the Board

The Board of Directors recognises the importance of having a diverse range of skills and expertise. Directors are chosen based on their knowledge of the Company's business, industry trends and potential risks and opportunities. This includes expertise in specific areas such as strategy, finance, technology, sustainability and climate change, IT, and human resources.

This blend of knowledge and experience allows the board to provide strong leadership and strategic direction to the Company. The board ensures that management upholds ethical standards, transparency and disclosure practices. They also actively review the Company's governance, risk management and compliance frameworks to ensure they remain aligned with best practices.

### Board Induction, Training and Familiarisation

We have a comprehensive onboarding programme for new board members. This programme ensures that all directors, including independent directors, are well-equipped to fulfil their roles and responsibilities. New directors receive a formal appointment letter outlining their duties and relevant compliance requirements. They are also provided with a handbook containing detailed information about the Company, its governance practices, and the regulatory landscape.

In addition to the handbook, new directors participate in an induction programme that covers the Company's vision, core values and business operations. Senior management also provides regular presentations to keep directors informed about the business environment and the Company's performance. These initiatives ensure that all directors have a deep understanding of the company and are prepared to make effective contributions.

### Board Evaluation

The Board of Directors at Amara Raja Energy & Mobility Limited conducts a thorough annual evaluation process. This self-assessment covers the board's overall performance, the effectiveness of its committees and individual directors' contributions. Each director participates in a peer evaluation process, providing confidential feedback on engagement, decision-making and overall effectiveness. Committees are assessed on their ability to fulfil their designated roles and provide proper guidance to the board.

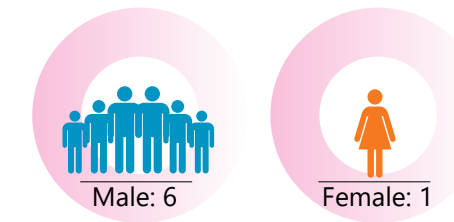
In addition to the board's self-evaluation, the independent directors take the lead in evaluating the chairman and non-independent directors. This ensures a comprehensive and objective assessment of the board's leadership and governance.

## Composition and Diversity of the Board

Our board fosters balanced decision-making while also ensuring a diverse composition. It includes Executive Directors with deep company knowledge, a Chairman who also serves as Managing Director and CEO and crucially, Non-Executive Independent Directors and a woman director, who puts forward an objective viewpoint. This combination ensures a well-rounded perspective for the company's leadership.

### Diversity by -

#### Gender



43%

Executive Directors

57%

Independent Directors

### Board's Competence, Expertise and Skills



### Board Committee

Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Risk Management Committee	Corporate Social Responsibility Committee
<b>Chairperson –</b> Mr. N Sri Vishnu Raju	<b>Chairperson –</b> Mr. N Sri Vishnu Raju	<b>Chairperson –</b> Mr. T R Narayanaswamy	<b>Chairperson –</b> Mr. N Sri Vishnu Raju	<b>Chairperson –</b> Mr. Jayadev Galla
<b>Members –</b> ▶ Mr. T R Narayanaswamy ▶ Mr. Annush Ramasamy ▶ Ms. Bhairavi Tushar Jani	<b>Members –</b> ▶ Mr. T R Narayanaswamy ▶ Mr. Annush Ramasamy ▶ Ms. Bhairavi Tushar Jani	<b>Members –</b> ▶ Mr. Jayadev Galla ▶ Mr. Harshavardhana Gourineni ▶ Mr. Vikramadithya Gourineni	<b>Members –</b> ▶ Mr. T R Narayanaswamy ▶ Mr. S Vijayanand	<b>Members –</b> ▶ Mr. N Sri Vishnu Raju ▶ Mr. T R Narayanaswamy
100% Independent Directors	100% Independent Directors	25% Independent Directors	67% Independent Directors	67% Independent Directors
5 Meetings in FY24	2 Meetings in FY24	2 Meetings in FY24	2 Meetings in FY24	2 Meetings in FY24
95% Average attendance of Directors	88% Average attendance of Directors	88% Average attendance of Directors	100% Average attendance of Directors	83% Average attendance of Directors



## Our Leadership Team



**Jayadev Galla**  
Chairman,  
Managing Director and CEO



**Harshavardhana Gourineni**  
Executive Director -  
Automotive and Industrial



**Vikramadithya Gourineni**  
Executive Director -  
New Energy Business



**Rajesh Jindal**  
Chief Marketing Officer-India,  
Automotive Batteries



**Venkata Krishna M.M**  
Chief Marketing Officer-  
Industrial Batteries



**Indeevar Govardhanagiri**  
Chief Marketing Officer- International,  
Automotive Batteries



**S Vijayanand**  
President -  
New Energy Business



**C Narasimhulu Naidu**  
Chief Operations Officer



**M Jagadish**  
Chief Technology Officer  
- New Energy Business



**VVS Sridhar**  
Business HR Head-  
New Energy Business



**Ramamurthy Ryali**  
Business HR Head-  
Automotive and Industrial



**Murali C**  
Associate Vice President - Quality  
and Process Control



**Vikas Sabharwal**  
Company Secretary



**Y Delli Babu**  
Chief Financial Officer



**P Muralimohan Reddy**  
Business - SCM Head



**Balaji G**  
Head – Technology Automotive  
and Industrial

## Financial Capital

Amara Raja's capital allocation policy is geared towards creating future opportunities by building resilient businesses with careful consideration of investments that create lasting value, while remaining focused on maximising returns in the present. This approach, coupled with consistent profit sharing and strategic investments, has solidified our foundation as a value-driven business.



### Strength of Financial Capital

Improving operating efficiencies and healthy RoCE

Prudent working capital management

Healthy order book

Adequate and Improving financial risk profile

### SDGs Impacted





**Key Highlights of FY24**

In FY24, the global economy faced a slower growth path compared to FY23, with advanced economies experiencing a significant slowdown. The deceleration in global GDP growth rate is attributed to several factors including persistent high inflation and ongoing geopolitical tensions.

In contrast, the Indian economy continued to show resilience. Despite global headwinds, India sustained a healthy growth. The growth was driven by significant government capital spending, domestic consumption, and robust foreign direct investment (FDI).

During the financial year 2023-24, we have achieved a turnover of ₹11,260 Cr, backed by strong volume growth across all major product segments and expanding our footprints in new regions globally.

**₹ 11,260 crore**

Standalone Revenue

**₹ 6,768 crore**

Net worth

**15.03 %**

EBITDA margin

**14.18 %**

Return on Net worth

**2.14 times**

Current ratio

**0.01 times**

Debt equity ratio



**Capital Investment**

We will continue to invest in all emerging battery technologies and energy management systems apart from expanding capacities for lead acid batteries. We are also investing into significant research and development capabilities for providing solutions in Energy and Mobility applications.

The Group is investing in Giga factory for manufacturing lithium-ion cells and investing in the technology start-up companies to leverage capabilities for the new energy business.

Our commitment to sustainable growth through creation of circular economy will further strengthened by our investment into a greenfield Battery Recycling Plant in Tamil Nadu, this will eventually cater to 25% to 30% of overall raw material requirements.

**Consolidated Capex (₹ in Cr)**

2023-24	478
2022-23	1176
2021-22	445
2020-21	948
2019-20	273

**Value Creation**

We aim to balance short-term financial gains with long-term value creation. Committed to delivering value to our shareholders, we integrate dividend distribution into our capital allocation policy. As part of this commitment, we have proposed a final dividend of ₹5.1 per fully paid-up equity share with a face value of ₹1 each.

**Book Value (₹ per share)**

2023-24	370
2022-23	328
2021-22	266
2020-21	246
2019-20	214

**Dividend (₹ per share)**

2023-24	9.90
2022-23	6.10
2021-22	4.50
2020-21	11.00
2019-20	11.00

**Maintaining Financial Health**

Strategic stakeholder engagement is crucial for maintaining financial health and securing capital. Recognising this, we build strong relationships with lenders, investors and rating agencies through regular meetings and business reviews, where we discuss ongoing and prospective engagements, market trends, and emerging structures.

We periodically hold meetings with credit rating agencies to provide updates on our financial performance and projections, fostering transparency and facilitating informed rating outcomes. This proactive approach ensures robust financial stability and sustained investor confidence.

**Managing Financial Risks Effectively**

At Amara Raja, we proactively manage financial risks related to interest rates and foreign exchange fluctuations through a comprehensive, board-approved risk management policy. This policy outlines various methods and details approval processes to ensure robust oversight and mitigation of financial risks. By adhering to these guidelines, we effectively safeguard our financial stability and optimise our risk exposure.

**Credit Ratings**

CRISIL reaffirmed our strong credit profile with a 'CRISIL AA+/Stable/CRISIL A1+' rating on its bank facilities. This reflects our leading position in lead-acid batteries (2nd largest), diverse product portfolio, robust distribution network, and negligible debt on the balance sheet.

**CRISIL**

An S&P Global Company

**CRISIL AA+/Stable (Reaffirmed)**

Long Term Rating

Source - ARE&M Credit Rating, Crisil Ratings

**CRISIL A1+ (Reaffirmed)**

Short Term Rating



## Manufactured Capital

Over the past decade, we have significantly enhanced our business divisions to meet rising demand, investing in technological innovations that deliver superior products to our customers. Our effective management of manufacturing assets has driven operational efficiency, profitability, and growth. We continue maximising the utilisation of existing facilities and implementing projects to enhance the sustainability and effectiveness of our manufacturing. Our robust manufacturing capabilities, supported by a strong physical infrastructure—including plants, buildings, machinery, and equipment—underpin our value-added product portfolio.

Occupational Health and Safety

Throughput maximisation by improving productivity



Improving product quality

Reducing carbon footprint

### Strength of Manufactured Capital

Best-in-class integrated facilities

Advanced Technological integration for automation

Environmentally friendly manufacturing practices

Stringent quality control measures

### SDGs Impacted





9

Manufacturing Plants

3.07

Cumulative Shop Floor area (Mn sq. Ft)

50+


2W and 4W Battery Annualised Capacity (Mn Units)

2.60+

ISBU battery capacity (Bn Ah)

### Battery Recycling Plant


Cheyar – Tamil Nadu



- 1.5 Lac MT/ Annum State-of-the-art Advanced Green Field Lead Acid Battery Recycling plant
- Construction in an advanced stage of completion
- Refinery Commercial production starts from Sep'24

### Tubular Battery Plant

ARGC, Andhra Pradesh



- 1.8 Mn Battery / Annum Advanced Tubular Lead Acid Battery Manufacturing plant
- Plant Redesigned with improved Fire Safety Measures
- Commercial production starts from Jan'25

### Optimising Resource Consumption

We prioritise responsible resource consumption through a multi-pronged approach. Key highlights:

- Equipment Upgrades -** Centrifugal blowers were replaced with energy-efficient BLDC fans in Fume Exhaust (FA) systems, while pressure settings in air compressors were optimised. Heater controls for lead melting pots and oven cycle times were also improved.
- Energy Conservation -** Significant cost savings (96 lakh units) were achieved through plant-wide energy conservation projects. This includes initiatives such as optimising equipment scheduling for increased capacity utilisation, automating charger cooling fans during idle periods, and implementing time-controlled Dry Electrostatic Precipitator (DE) systems. Motors were upgraded to high efficiency IE3 and IE4 models resulting in minimised energy waste.
- Smart Automation -** Occupancy sensors were installed in Formation Tub areas, HRS (Heat Re-Recovery Systems), and utility rooms to minimise unnecessary energy consumption. Additionally, charger room Air Handling Units (AHUs) benefited from blower replacements with BLDC fans.
- Technology Enhancements -** Oven control panels were upgraded with advanced technology, and process optimisation was achieved by installing drives with feedback systems. Replacing outdated air compressors with Variable Speed Drive (VSD) based models and optimising conveyor motor sizes wherever possible further contributed to efficiency gains.
- Innovative Solutions -** Air compressor heat recovery system was implemented, and pneumatic vibrators were replaced with electrically operated ones. Finally, power factor improvement measures were taken to further reduce energy demand.
- Sustainable Practices -** Old chargers were replaced with IGBT (Isolated Gate Bipolar Transistor) chargers for improved efficiency. Additionally, Air Operated Double Diaphragm (AODD) pumps were replaced with more energy-efficient Electro-hydraulic Diaphragm (EODD) pumps in the Effluent Treatment Plant (ETP).

**96 lakh units**  
Energy savings

**62 MW**  
Renewable Energy

**Awards**

Operational Excellence Awards: TPM



Achieved JIPM TPM 'Excellence, Category A Award' for LVRLA and MVRLA Plants



Achieved JIPM Excellence in 'Consistent TPM Commitment Award' for ABD1 and SBD1 Plants



Achieved ABK AOTS DOSAKAI '5S SUSTENANCE LEVEL 2' Award

**Quality Management**

At Amara Raja, we are driven by our commitment to compliance, excellence, and long-term viability. This is reflected in our 'Gotta be a Better Way' culture, which drives us to improve our quality management systems continuously. We encourage employees to develop their expertise through training and certification programmes and we leverage globally recognised tools and techniques such as Six Sigma and Lean to ensure consistent quality and efficiency.

implementing industry-standard tools and methodologies. These include Continuous Improvement (CI), Lean practices like TPM, Poka-Yoke, SMED, and 5S, as well as Visual Management and ergonomics considerations. By

employing these methods, we empower our team to identify and eliminate defects while optimising our processes for long-term success.

**ISO 9001:2015**

Certifications

**IATF 16949:2016**

In addition to training, we inculcate a passion for quality throughout the organisation by

**Key Initiatives in FY24**

Throughout the year, we advanced our goals of sustainability and continuous improvement by implementing several key initiatives:

**Quality Culture Emphasis -**

Our commitment to quality was reinforced through World Quality Month celebrations held at all manufacturing sites and remote locations. These events emphasised our dedication to fostering a strong quality culture across the organisation

**Global Expansion -**

We have successfully entered the US market by supplying products to Autozone, adhering to stringent global quality standards. This strategic move positions us for potential entry into European and Middle Eastern markets.

**Data-Driven Approach -**

We have implemented Data Acquisition Systems for online data capture across all manufacturing units. This initiative provides real-time insights, enabling better decision-making and operational efficiency.

**Skill Enhancement -**

We have significantly increased staff skill levels through classroom training and workshops on 5S, Quality Circles, and Lean Concepts, accumulating over 1,500 man-hours of training.

**1,500 +**

Man-hours of training (Quality Management)

**Customer Awards Recognition**



Overall **Excellence Award** from Mahindra & Mahindra



**Superior Performance Award** from Maruti Suzuki



**ZERO PPM Appreciation** from DAIMLER for Quality



**High-quality Performance Award** from Royal Enfield

- Received recognition from OEM customers for **"ZERO DEFECT"** Supplies from MARUTI SUZUKI, EICHER MOTORS, FORCE MOTORS, TVS, RENAULT and NISSAN
- Achieved **Gold Category for Quality System** Rating from TVS for 2W
- Achieved **Recertification of Diamond Mark** for Kenya export Market



### Continuous Improvements

Our commitment to quality extends beyond training. We empower our employees to actively participate in improvement initiatives

Quality Circles

Boasting one of the largest deployments in India (970 circles), employees collaborate to identify and solve quality issues.

Employee Suggestions

Frontline employees have submitted over 28,000 suggestions for process improvements across the entire supply chain.

Six Sigma

We leverage Six Sigma's DMAIC methodology to identify potential problems, streamline processes, reduce variations, and enhance product consistency, ultimately achieving cost-benefit advantages.

## 970

Quality circles (Among the largest number of Quality Circles in India)

### Continuous Improvement Awards



Won **94 Golds and 5 Silvers** in State-Level Quality Circle Competitions (CCQC) held at Tirupati, Andhra Pradesh



Won **'24 PAR-EXCELLENCEs'** and **'6 EXCELLENCEs'** in National-Level Quality Circle Competitions (NCQC) held at Nagpur, Maharashtra



ABD-1, SBD-1, SBD-2, LVRLA, MVRLA, Component Division HO and ARGV have been recognised with **GOLDS** in International-Level Quality Circle Competitions (ICQCC) held in Beijing, China



SBD-1 has been recognised as **"2nd Best"** in CII State-Level Competitions held at Tirupati



SBD-1 has been recognised as **"Runner-up"** in CII Southern Region Competitions held at Chennai

### Awards and Recognition: Six Sigma and Lean Concepts

CII National Six Sigma Competitions	CII National Kaizen Competitions	CII National Poka-Yoke Competitions
LVRLA and ABD2 has been recognised with PLATINUM Award	SBD1 and SBD2 has been recognised with PLATINUM Awards	SBD, ABD1, MVRLA and CD HO has been recognised with PLATINUM
	ABD1 and LVRLA has been recognised with GOLD Awards	SBD2, ABD2, ABD3, CD PTM and LVRLA has been recognised with GOLD
	ABD2, ABD3 and ASG has been recognised with SILVER Awards	LVRLA has been recognised with SILVER
	SBD1 has been recognised with "STAR" in the "Champions Trophy Awards"	SBD2 and LVRLA has been recognized with "STAR" in the "Champions Trophy" Awards"
	SBD2 has been recognised with JURY and "STAR" in the "Champions Trophy Awards"	

### Automation

We are at the forefront of automation adoption. This commitment is evident in several key initiatives undertaken in the Assembly and Sales Business Unit (ASBU). These advancements have helped us improve and enhance production processes.

- ▶ Significant advancements have been made in automating the unloading process for Completely Oxidized Stretch Bonded (COS) units at both ABD1 and ABD2 facilities.
- ▶ Additionally, SBD1 has seen the introduction of laser markers for precise serial number marking, a combined semigroup insertion machine for improved efficiency, and robots for streamlined battery loading into washing tunnels.
- ▶ SBD2 has further benefited from robotic automation for end-of-line unloading and battery palletisation tasks.

### Health and Safety

Health and Safety is a core focus area for us, and we continuously invest in technologies and processes to ensure the safety of our operations. We employ a combination of frameworks, protocols, training and awareness programmes to make safe practices and behaviours the norm. Our approach is rooted in prevention, intervention and collaboration, allowing us to proactively address potential hazards. By sharing lessons learned across our businesses, we have built a solid track record in safety, reinforcing our commitment to creating a secure and environmentally responsible workplace.

All our manufacturing facilities are certified against ISO 45001: 2018 standard.





To ensure a high level of safety across all our plants, we conducted a comprehensive thermography study of all electrical equipment. This was complemented by a micro-level Hazard Identification and Risk Assessment Study for all processes. We also increased the capacity of our Emergency Response Team (ERT), increasing their numbers from 1,094 to 1,475 members. Additionally, we have strengthened our fire protection system with an additional capital expenditure and procured fire tenders and emergency response vehicles worth 2.4 crores.

Our safety measures have yielded impressive results, with zero Observations for Improvement (OFIs) in customer safety audits conducted by our customers. During the 53rd National Safety Week themed 'Our Aim – Zero Harm,' we trained over 6,000 employees in various safety programmes. We also conducted a state-

level mock exercise on chemical disasters in collaboration with the National Disaster Management Authority (NDMA), Deputy Chief Inspector of Factories (DCIF), and District Fire Officer (DFO).

National Road Safety Week was observed at all our plant locations to sensitize employees on the 10 golden rules of road safety through a variety of engaging activities. The week featured defensive driving training, street plays, and vehicle check camps to promote awareness and practical knowledge. Additionally, toolbox talks and surprise check campaigns for helmets, seat belts, and documents were conducted to emphasise the importance of compliance with safety regulations. Road safety audit were conducted to understand the need for road safety infrastructure.

To further reinforce road safety education, the week included quiz competitions, helmet distribution drives, and poster and slogan contests.

- Our safety programmes also include:
- 1) District-level offsite emergency mock drills
  - 2) National Safety Week
  - 3) Mock drills to reinforce emergency preparedness
  - 4) Safety equipment exhibitions to promote Personal Protective Equipment use



**35%**

Capacity enhancement of Emergency Response Team members (1,094 to 1,475)

**₹ 2.6 crore**

Capex for strengthening of fire protection system

**Zero OFIs**

in Customer safety audits (Autozone, Fiat, Toyota, Hyundai motors, Hitech Automation)

**6,000 +**

Employees trained in safety programmes



**Occupational Health**

We believe that good health is the most essential prerequisite for work excellence. In keeping with this belief, we have aligned our health management system with the exacting standards of ISO.

**Key Initiatives in FY24**

**Nutritional Services –**

Provided Wellness menu as per national nutritional requirements and celebrated Nutritional week

**New AAS LLB –**  
Initiation of LLB lab at ARGC, Andhra Pradesh location

**Accreditation of AAS lab –**  
By Quality and Accreditation Institute (QAI)

**Readiness to Work –**  
Introduced sustainable 5min physical activity for the frontline employees before going to Work

**Proficiency Test by External Referral Laboratories –**

Blood samples of approx.10% of the total tests is being sent to NRCLPI (National Referral Centre for Lead Projects India) for proficiency testing

**Awards and Recognitions**



Conducted LEADCON conference with Lead Industry experts to spread awareness on Lead safety and hygiene through best-in-class initiatives

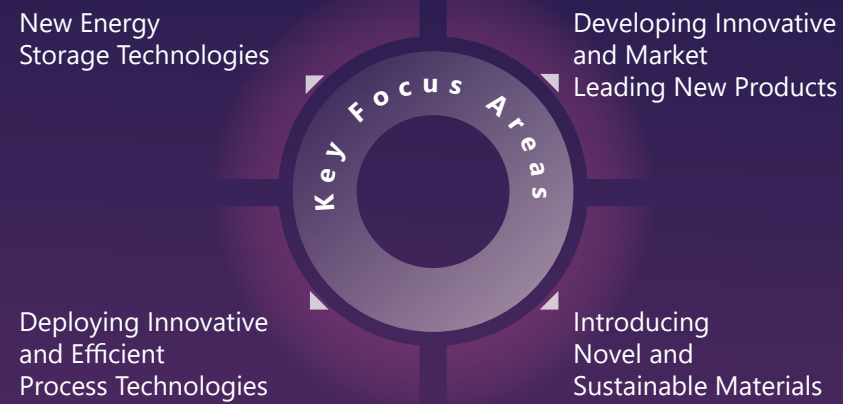


Health promotion – Achieved Arogya healthy workplace award Gold level @ ARGC location



# Intellectual Capital

We define intellectual capital as the foundation of our value-creation strategy. This encompasses Amara Raja's brand reputation, driven by innovation, we invest in cutting-edge battery technologies to develop high-performance, durable energy storage solutions. Additionally, our investment in research and development, including proprietary technologies, patents, and the collective knowledge of our workforce, fuels our leading position in the battery storage space.



## Strength of Intellectual Capital

Strong patent portfolio	R&D driven by 150+ passionate change-makers with over 1013 Man Years of cumulative expertise in the Battery Industry	Industry leadership	Continuous investment in Digital Technologies and Skills
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## SDGs Impacted





# INNOVATION

is a core value of the Company which is embedded into its culture and enshrined in its powering belief 'Gotta be a Better Way'. Passion for the new and the zeal to build differentiation has positioned Amara Raja as a dominant player in the storage battery space.

Amara Raja continues to invest in cutting-edge battery technologies that fuel the relentless pursuit of the Technology Wing to develop high-performance batteries catering to diverse applications and redefining performance standards and durability of its energy storage solutions.

Amara Raja's Research and Development programmes are driven by 150+ passionate employees with 1013 Man Years of cumulative expertise in the Battery Industry.

Today, Amara Raja's penchant for innovation has created a sustainable ecosystem and is positioned to develop any Advanced Energy Storage

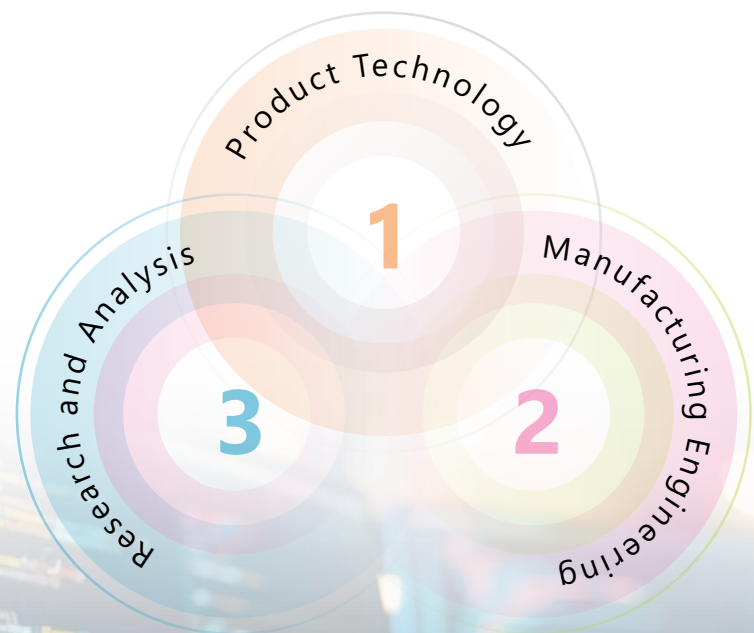
Technology as required in the near future. We conduct life cycle assessment to understand environment footprints of our products from cradle to grave and deploy mitigation plans.

**1,013 man years**

Cumulative expertise in the Battery Industry

## Initiatives in FY24

The 'Technology' activities are categorised under three broad areas of focus



1

### Product Technology

#### Next Gen AGM Product for Hybrid Vehicle Versions:

Engineered for Hybrid vehicle applications, caters to the specific needs of modern vehicles ensuring optimal performance in stop-and-go driving conditions.

#### Breakthrough Product:

Launched Auxiliary battery featuring Multi-Stamp Grid Technology, meets new age electric vehicle test requirements, reliability, and performance.

#### Advanced New Lead Acid Technologies:

Promising advancements made in advanced lead acid and alternate chemistry storage technologies signifying our commitment to pushing the boundaries of energy storage.

#### BCI and Marine Range; Expanding into New Geographies:

Aimed to establish a strong foothold in the global market, developed and launched BCI, Marine products for automotive and marine applications.

#### Breakthrough Stamped Grid Technology for VRLA UPS:

Validated and ready to launch, Integrated cutting-edge plate manufacturing technology specifically tailored for enhancing the performance and reliability of UPS system.

#### Small VRLA Product for Global UPS OEM:

Refined and Successfully launched product based on unique needs and preferences of Global customers and market segments delivering maximum value.

2

### Manufacturing Engineering

**Enhanced Throughput** by optimising the curing and drying process for 2-Wheeler and 4Wheeler battery negative plates.

**Developed Optimised Re-Charging Process** to reduce conversion cost of UPS and 2Wheeler batteries.

**Developed Novel Bush Plug Design** to enable two shot formation process of DIN battery to enhance throughput and Energy Conservation.

**Developed New Process by Quick Recirculation** acid system to eliminate additional charge process and enhance consistency in flooded automotive battery.

**Improved Reliability** through enhanced Process controls by Continuous and Statistical Weight controls, Advanced leak testing, Unique formation method (higher shelf life) to meet the needs of global customers.

3

### Research and Analysis

**Engineered Innovative** negative additive material formulation, designed to meet the dynamic needs of the 4Wheeler automotive batteries.

**Developed Most Compatible Material** and process to improve mechanical strength of commercial LAB, tailored for high-vibration applications.

**Implemented Re-engineered Poly** as a key achievement of our sustainability initiative.

**21700 NMC/Gr cylindrical cells were developed** using sustainable chemistry by considering high energy density targets.

**LFP/Gr cylindrical cells were developed** using sustainable chemistry, and those cells have promising higher cell energy capacity and longer life performance.

**An efficient materials and cell scouting** progress has been initiated, and validation of different materials and cells is in progress.

**Established R&D workflows and hiring skilled resources** for Li-ion is in progress by implementing effective resources screening methods



### Product Development

- ▶ Roll out of Product range for UPS application with Advanced Plate Making Technology.
- ▶ Introduction of High-Power series tailored for Data Centre application in LVRLA footprint.
- ▶ Advanced lead acid product development initiatives through collaborative efforts.
- ▶ Developing New variants of Auxiliary Batteries for Electric Vehicle application.
- ▶ Expansion of market-specific BCI product range in AGM.
- ▶ Development of Lawn and Garden product range.
- ▶ Manufacturing of 21700 NMC cells as per the technology partner specifications and demonstrating their performance against automotive and storage applications.
- ▶ Development of LFP-Gr large-format cylindrical cells as per the energy density requirements for Automotive and Energy storage applications.
- ▶ Development of LFP-Gr prismatic cells as per the energy density requirements for Automotive and Energy storage applications.
- ▶ Introduction of Durability Enhanced NextGen EFB (Enhanced Flooded batteries) for automotive ISS applications.

### Way Ahead

The Technology team has identified its key priorities for the current year bucketed under three heads:

### New Material

- ▶ Study and Implementation of Sustainable Raw material sourcing strategy for automotive batteries.
- ▶ Develop an optimised PE separator to improve performance and meet customer-specific requirements.
- ▶ Develop and introduce advanced application dynamic premix expander formulations for 4Wheeler Automotive batteries.

### Process and Technology

- ▶ Enhancing plant throughput by standardisation of the Chemset process in 4Wheeler batteries.
- ▶ Improvement of UPS battery process performance by new unique pasting process steps.
- ▶ Implementation of a new process with compatible material to enhance mechanical strength in commercial batteries to enhance durability.
- ▶ Optimisation of formation process cycle time to improve the productivity in UPS batteries.
- ▶ Implementation of new energy efficient (higher productive) and advanced formation equipment for a tubular battery plant.
- ▶ Study on eco-friendly and advanced post-building process for manufacturing robustness.
- ▶ Implementation of digital interventions into the cell developmental cycle, considering advanced multi-scale modelling platforms.
- ▶ Establishment of cell technology laboratories and instruments at e Positive Energy Labs, Hyderabad.





## Digital and Information Technology

In today's digital age, information technology is rapidly reshaping every aspect of business. To stay competitive, businesses must fully embrace digital transformation. In FY24, the field of digital transformation showcased an overwhelming adoption rate, with over 90%\* of organisations engaging in various digital initiatives.

This widespread digitisation across organisation highlights the crucial role of data security, as the need to protect information becomes ever more important with digital transformation.

\*Gartner Report on Digital Landscape

At Amara Raja, current year has been marked by digital transformation where we were at the forefront of innovation. Throughout the fiscal 2023-24, we implemented a series of strategic digital initiatives across various departments, including Supply Chain Management, Sales and Marketing, Finance, HR, and Operations. These initiatives target a comprehensive improvement, aiming to streamline processes, optimise product development and enhance operational efficiency – ultimately accelerating product launches and achieving a stronger market presence.

We have further strengthened our security posture by conducting ongoing third-party vulnerability scans and adhering to the ISO 27001 framework. Our IT and cybersecurity infrastructure has been fortified to protect customer data and ensure system integrity. By establishing a Security Operations Centre (SOC) and implementing stringent policies, we have enhanced cybersecurity, ensuring the integrity of our digital assets.

### Digitisation of Sales and Marketing

As part of our digital strategy, we are undergoing a digital revolution, transforming how we interact with our customers, employees and partners. This shift emphasises not just increased efficiency but also a deeper focus on customer needs and employee experience, positions us for continued success in the digital age.

We have rolled out a cloud-enabled Customer Relationship Management Solution - Salesforce that will allow our sales team to

better manage relationships with our franchisees, dealers, and OEMs to derive insights that allow us to meet and exceed their needs. We were able to achieve improvement in dealers and B2B sales, increase in sales effectiveness and real-time information availability to all the sales and service teams. This CRM implementation will deliver complete customer-centric automation to keep track of all customer interactions and sales data in real time.





### Digitisation of Supply Chain Management

During the year under review, we rolled out a cloud-enabled unified platform for sourcing and procurement to manage all source-to-settle processes that will extend the power of the existing ERP platform.



**ARIBA** will help us manage end-to-end business events. With the digital onboarding of suppliers and adoption of the new system, we are aiming to improve bid competitiveness and reduce sourcing cycle time and administration costs.



### Advanced Transportation Management (TM)

We successfully implemented Advanced Transportation Management (TM) and Logistics Business Network (LBN) modules. This comprehensive solution has enhanced our logistics operations by optimising route planning and vehicle allocation and by supporting multi-pick and multi-drop capabilities as well as e-bidding (tendering) functionalities.

Our integration with Logistics Service Providers (LSPs) for automatic bill submissions and Proof of Delivery (POD) confirmations minimised manual interventions, resulting in a more paperless workflow. Additionally, the integration with Geographic Information Systems (GIS) and

Global Positioning System (GPS) technology advanced our tracking capabilities, enabling precise monitoring of shipments, vehicles, and drivers, ensuring accurate delivery estimates, and facilitating proactive issue resolution.

### Human Resources Management System (HRMS)

Our investments into our HRMS platform have increased the communication, knowledge sharing, and teamwork within teams. We have standardised and implemented best practices in PMS and HR Analytics allows us to scale up for future growth. As we deploy AI technologies our HR practices, we believe this will increase the contribution of our workforce to our growth.

### IT Infrastructure Library-Based Platform (ITIL)

At Amara Raja, we have implemented an IT Infrastructure Library (ITIL) based platform on FreshWorks to revolutionise our IT operations and better serve the diverse needs of our organisation.

- ▶ **Employee Accessibility** - Every employee has accessibility enabling to report issues directly.
- ▶ **Comprehensive Reporting** - Tool enables comprehensive reporting offering insights into IT workload, optimising resource allocation and enhancing efficiency.
- ▶ **Enhanced Visibility** - Tool has ability to generate detailed reports for workload involved in managing our IT resources.





**M365 Adoption and Rollout**

With the successful adoption and rollout of Microsoft 365 (M365), we marked a significant milestone in our digital transformation journey. This transition has greatly enhanced our productivity and collaboration capabilities, providing our employees with a unified, cloud-based environment that integrates all the essential Microsoft apps.

The adoption process was smooth, and we have observed a positive impact on our workflows, with teams now able to collaborate more effectively and securely. The optimisation of Microsoft O365 has been a game-changer for our collaborative efforts, with performance tuning resulting in seamless workflows that foster an environment where ideas flourish and productivity soars.



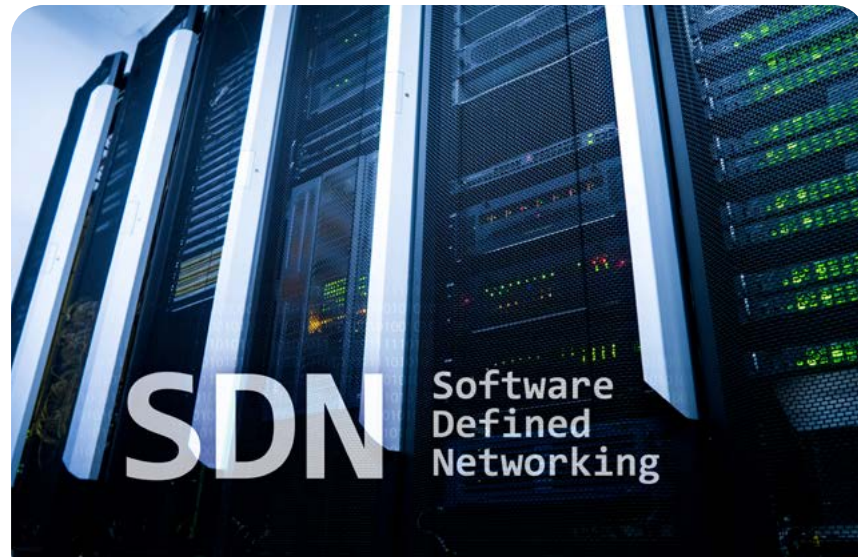
**Employee Productivity and Collaboration**

Amara Raja has implemented Microsoft SharePoint to enable communication, and collaboration within various businesses and teams, with suppliers and vendors. SharePoint is helping Amara Raja comply with industry regulations by providing tools for document control, audit trails, and record-keeping. We have designed workflow automation to streamline business processes such as approval chains, document review cycles and task assignments. We are leveraging SharePoint for project management by assigning and tracking tasks, ensuring that projects stay on schedule and that team members are aware of their responsibilities. Mobile

apps allow Amara Raja employees to access documents, collaborate, and stay informed from anywhere, which is particularly useful for our field workers and remote teams.

**SD-WAN Implementation**

We have successfully deployed a Software-Defined Wide-Area Networking (SD-WAN) solution, adopting a cloud-centric approach to optimise network performance, enhance security and reduce costs. By intelligently managing bandwidth across multiple WAN links, we ensure consistent application performance, while the integration of advanced security features protects against cyber threats. This strategic investment aligns with our business goals and is expected to deliver a positive return on investment (ROI).



**Implementation of SIEM and SOC**

Deploying SIEM and SOC solutions signifies a strategic move towards proactive cybersecurity, enabling real-time threat detection and risk mitigation through comprehensive data analysis. Continuously monitoring and analysing security data bolsters our defences, ensuring robust protection and swift response against potential cyber threats.

At Amara Raja, we are dedicated to achieving cybersecurity excellence and exemplary data stewardship. As cyber threats continue to grow in sophistication and frequency, we remain vigilant in our efforts to protect our digital assets and uphold stakeholder trust.

**Way Ahead**

From Artificial Intelligence to IIOT to automation-driven efficiency to an increased focus on employee experience, these trends will have a profound impact on the way we work and interact with technology. The key trends that Amara Raja will focus on would be Artificial Intelligence, IoT Integration, monetising data, Integration of applications, collaboration accelerated using Microsoft 365, Analytics, data protection and BCMS.

► **Salesforce CRM Implementation for After-Sales Service**

After successfully transitioning the after-sales service for Amaron to the Salesforce CRM platform, we plan to extend this implementation to all Amaron and PowerZone distributors. The adoption of the ARise CRM App tool by distributors has led to significant improvements in customer service, including reduced field visits for servicing, minimised warranty leakages and real-time tracking of service calls.

► **Establishment of Digital Backbones for EV Battery Business**

The upcoming fiscal will see the establishment of mature digital backbones for the EV battery business, enabling us to deliver energy and mobility solutions at scale. The implementation of these solutions across multiple plants will enhance battery manufacturing processes, improving efficiency and productivity.

► **Deployment of AI-based Technologies**

We have embarked on the deployment of artificial intelligence-based technologies

to revolutionise various aspects of our operations. Gen AI technologies will empower the service team to handle customer queries efficiently, enhancing responsiveness and satisfaction. Additionally, AI will synergise with existing IIOT solutions to create real-time dashboards, facilitating data-driven decision-making. As FY 25 unfolds, these initiatives will scale up significantly, permeating across operations, sales, and quality functions, driving innovation and efficiency.

► **Industry 4.0**

We are planning to leverage Industry 4.0 technologies focusing mainly on IIOT and Manufacturing Execution System -for our lead acid battery manufacturing plant, to identify areas of production enhancement through insights into machine performance.

► **Compliance and Maturity Level Improvements**

We are strengthening compliance adherence, particularly with ISO 27001 and ITSM processes. Our plan includes elevating our maturity levels in these domains and demonstrating tangible improvements that will propel us to achieve operational excellence. Achieving this globally recognised standard will help us establish

a robust Information Security Management System (ISMS), reflecting our dedication to data privacy and risk management. This initiative will safeguard our valuable assets and strengthen trust with our stakeholders.

► **Disaster Recovery and Business Continuity Management**

Our proactive approach to IT disaster recovery and business continuity management has fortified our ability to withstand and quickly recover from any unforeseen events, ensuring uninterrupted service to our clients. We will continue to conduct periodic drills to ensure resiliency is tested and documented.

► **Strengthening IT Resilience**

In an era where cyber threats are increasingly prevalent, we will continue to innovate and adapt to emerging cybersecurity challenges, ensuring the resilience and security of our operations in an ever-evolving threat landscape. We are committed to further enhancing our IT security and governance with a considerable focus on Data Privacy and Data Protection to safeguard data. The objective is to implement a data protection programme and ensure compliance and safeguarding by certified controls.



## Human Capital

At Amara Raja, our journey is fuelled by our people, the core strategic assets, driving us to surpass boundaries, enhance performance, and set industry benchmarks. Our core purpose, 'Transforming our increasing spheres of influence', encapsulates our commitment to continuous improvement. This purpose and our People Strategy and Talent Management model are brought to life through our guiding motto, 'Gotta be a Better Way'.

We channel the passion and dedication of our people to deliver exceptional experiences and achieve outstanding results. Embracing 'The Amara Raja Way<sup>®</sup>', defined by courage, agility, resilience, eagerness and speed, we ensure sustainable growth while prioritising the holistic well-being of our employees. We remain steadfast in our dedication to improving the experiences and outcomes for our people, aligning with our overarching business objectives.

Human rights and responsible business conduct

Building a High-Performing Workforce



Creating an Inclusive and Safe Work Environment

Investing in Our People

### Strength of Human Capital\*

Employees	Revenue Per Employee (Lakhs)	Average age of Team (Years)	Net Profit Per Person (Lakhs)	Diversity Ratio (male:Female)
9,313	120.91	31	9.73	88:12

### SDGs Impacted

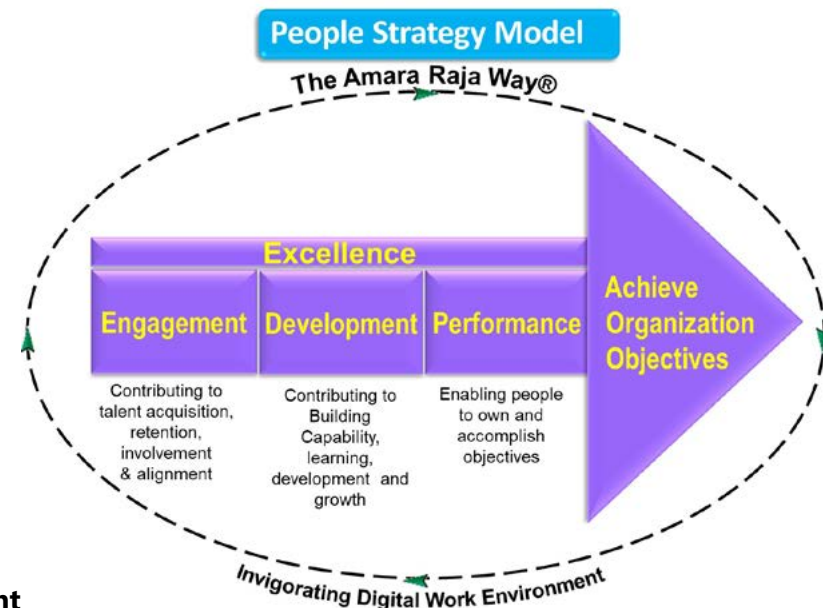


\*includes data pertaining to Plastic Component for Battery Business recently acquired from Mangal Industries Limited



### People Strategy Model

Our People Strategy Model has been pivotal in sustaining our ongoing success. Through the 'Amara Raja Way', we have strategically aligned our organisational goals within a rapidly evolving digital work landscape. This alignment has enabled us to thrive in enhancing employee engagement, fostering development, and optimising performance, thereby catapulting our achievements to unprecedented levels.



### Amara Raja Talent Management Model

The Talent Management Model is characterised by pioneering and institutionalising innovative programmes that directly support our People Strategy. Throughout the year, the team rigorously implements a range of initiatives designed to align seamlessly with our overarching business strategy, ensuring sustained development and alignment of talent across all levels of the organisation.

### Amara Raja Talent Management



### Highlights of Some of the Major Initiatives

#### Workforce Strategy

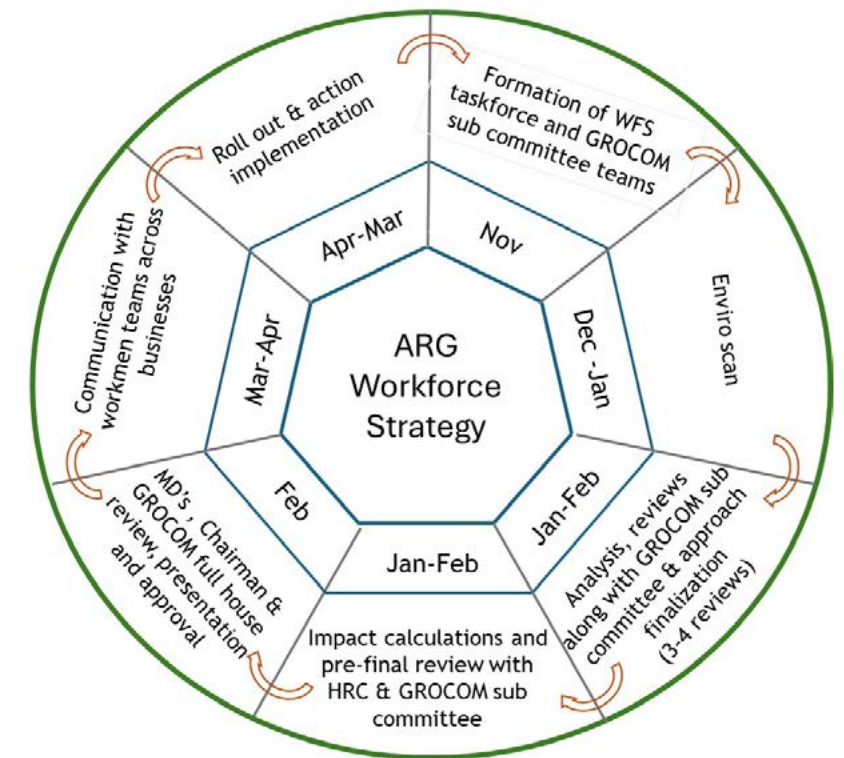
Our Workforce Strategy aims to redefine performance standards for our front-line workforce across all locations. This strategic approach is driven by the evolving external environment and dynamic business needs, with the goal of making us the preferred employer in our regions.

To achieve this, we focus on attracting, engaging, developing, and enabling our workforce. We enhance competitiveness in recruitment, pay and benefits, employee welfare, skill development, alignment with organisational goals, and employee well-being. By addressing these areas comprehensively, we foster growth and success.

Each year, a cross-functional team conducts a detailed study and analysis, examining both external factors and internal perspectives on performance and engagement. Using these insights, we implement strategic actions to drive continuous improvement and effectively navigate future challenges.

Last year again, a dedicated cross-functional team consisting of over twenty leaders and employees from diverse functions conducted a comprehensive study across all business locations. Additionally, the WFS exercise was extended to our new manufacturing sites. The valuable insights and recommendations from this exercise have played a pivotal role in shaping our action plans, guiding our efforts to enhance engagement levels of our workforce and boost productivity.

### WORKFORCE STRATEGY CYCLE



#### Revamped PMS

Amara Raja's unique digital performance management system follows a holistic approach which considers both Organisational performance and individual performance. The PMS process includes the key components of Responsibilities and Accountabilities and BSc/KRA/OATs integrated with Attitudes and Leader Behaviours. While the process emphasises key results, it equally emphasises Responsibilities, Attitudes and Leader Behaviours, ensuring a comprehensive approach that acknowledges not only outcomes but also the quality of

individuals' efforts across various business scenarios.

The fully automated and updated end-to-end online Performance Management System (PMS), implemented last year, has gathered positive feedback. It has improved the frequency of reviews and facilitated continuous feedback through real-time check-in options. Employees have welcomed the revamped PMS for offering more frequent opportunities for constructive two-way performance discussions and feedback. The increased frequency of reviews and feedback has enabled a more continuous and



proactive approach to improving individual and team performance within the organisation.

All our employees undergo annual performance and career development reviews, conducted each April for the preceding financial year. Throughout the year, performance management adheres to a rigorous objective-based methodology complemented by attitudes and behaviour, culminating in performance counselling and annual compensation and benefits revisions. Promotions are reviewed and announced bi-annually.

**Fusion Model' of Working Pattern**

The introduction of the 'Fusion Model' (Flexible, Unlimited, Smart, Intelligent, Open, and Nimble) as a new flexible working pattern following the post-pandemic hybrid model has garnered positive feedback from employees.

The model classifies team members based on their roles, allowing for seamless transitions between working from the office, working from home, or working from anywhere, if the role permits and outcomes are delivered.

The decision-making process regarding the work arrangement has been decentralised, with managers and employees collaborating to find a mutually beneficial solution that aligns with individual and organisational needs.

**First-Time Managers Programme**

The First Time Managers flagship programme, designed to support individuals transitioning into managerial roles for the first time, achieved significant success this year. This programme remains dedicated to laying a solid foundation in the managerial journey by enhancing knowledge in areas such as Business Strategy, Personal Effectiveness, Marketing Management, Finance Management, Business Law and Operations Management, and Digitalisation. This initiative not only equips first-time managers with essential skills but also fosters leadership capabilities, enhances decision-making aptitudes, and promotes a collaborative and empowered managerial culture within Amara Raja. In FY24, a total of 56 first-time managers benefited from this comprehensive training.

**AR Speak Employee Experiences Survey**



AR Speak Experiences Survey continues to be a valuable platform, providing us with key insights and prompting actions to continually enhance experiences. The 16th AR Speak Experiences Survey (Full) covering all eligible employees was conducted from 15th Sep'23, to 6th Oct 23.

As always, the survey was conducted 100% online covering Employees across the AR group, including all grades, and locations. In 2023, we revamped the AR Speak - Employee Experiences Survey Dimensions to align with the organisational strategies, ensuring its relevance and effectiveness in capturing employee feedback.

**Living the Amara Raja Way® LSIP**

We conducted Living the Amara Raja Way®, Large Scale Interactive Process (LSIP) programme which involved all operators and staff personnel. To ensure comprehensive coverage, the programme spanned over two months, with sessions conducted across 22 days and was led by a team of 60 internally trained leaders. As always, the survey was conducted 100% online covering Employees across the AR group, including all grades, and locations. In 2023, we revamped the AR Speak - Employee Experiences Survey Dimensions to align with the organisational strategies, ensuring its relevance and effectiveness in capturing employee feedback.



To reinforce "The Amara Raja Way®," and our core purpose and values, we organised this refresher LSIP. Each session was anchored by trained leaders, with valuable facilitation and support from our HR teams. We adapted and updated the programme to ensure its relevance in our evolving context. The planning and organisation of this programme involved dedicated efforts from supervisors, section heads, plant heads, services business teams, IT teams, and other support teams in both plant and field/ corporate offices.

**AR-Buddy**



AR-BUDDY establishes a network of peer support across the organisation fostering emotional wellness and creating a comprehensive programme aimed at cultivating a happier workplace, campus, and business environment. This initiative is a fundamental part of our Wellness First principle.

This employee assistance programme, "AR Buddy," in collaboration with the YourDost agency, continues to serve as a valuable source of psychological support for our employees and their families. We have observed a significant increase in the utilisation of these services by employees and their family members throughout the year.

The AR Buddy Steercom and operating committee, operating at a group level, closely monitors activities across all businesses to ensure a positive impact on employees and their families across different locations. Qualified counsellors regularly visit our plants and key field locations to deliver counselling services, prioritising employee comfort and trust.

The following key initiatives were implemented for our employees by experts at YourDost: support through the online platform, face-to-face counselling sessions, employee pulse checks, intensive help through the red flag protocol, crisis intervention (CISD Sessions) and Psychological Autopsy, proactive calling for suicide loss survivors,



First Time Managers Programme



and Floor Walks. Through the 'Floor Walk by Mental Health Professional' programme, trained professionals conducted regular walks in the workplace to engage with employees and provide counselling or support to those facing challenges. This proactive approach highlights our commitment to fostering a caring and supportive work environment, where employees feel valued, heard, and well-supported.

The AR Buddy programme embodies our dedication to the well-being of every member of the Amara Raja family. Through our AR-Buddy Wellness Calendar, we offer a year-long array of initiatives aimed at nurturing physical, mental, and emotional health. Highlights include the 'Happiness Boot Camp' fostering emotional wellness, 'Letters to Family' strengthening familial bonds, and the 'Super Colleague Campaign' promoting gratitude among colleagues. Workshops on 'Mind Hacks for a Happier You' and 'Leading Teams with Empathy' empower employees and supervisors with practical tools for stress management and empathetic leadership.

Events like the "AR Buddy Wellness Marathon" and workshops on 'alcohol de-addiction' and 'financial wellness' further demonstrate our commitment to holistic employee care. Our programmes reflect our belief that fostering emotional well-being and happiness is essential to cultivating a productive and thriving workforce, ensuring a supportive and fulfilling workplace environment for all.

**Empowering Wellness: Building a Supportive Community at Amara Raja**

Our comprehensive Wellness Structure stands as a pillar of support and empowerment within our organisation, dedicated to fostering a strong peer network and promoting emotional well-being among our employees. Designed with care, this structure ensures that every individual facing personal challenges or distress receives the necessary support in a nurturing environment.

At the heart of this initiative are our dedicated "Wellness Champions" and "Wellness Guides," who play pivotal roles in our employees' well-being journey. Supported by YourDOST Organisation, our Wellness Champions lead initiatives that nurture emotional health across the organisation. Meanwhile, Wellness Guides serve as compassionate points of contact for employees seeking assistance, offering solutions or guiding them to professional support when needed.

Trained by experts from YourDOST, our Champions and

Guides are equipped with the skills and knowledge to effectively support their colleagues. This proactive approach not only prioritises emotional well-being but also fosters unity and a sense of community among our workforce.

Through our Wellness Structure, we demonstrate our commitment to creating a supportive environment where every employee can thrive. By promoting peer support and early intervention, we build a foundation for holistic wellness that ensures the continued growth and success of our team.

**Great Place To Work**

It is with great pride that we report that ARE&M has been recognised and certified as a 'Great Place to Work' for the second consecutive year, following the survey conducted by the esteemed Great Place to Work Institute. ARE&M maintained its position among the Best Companies to Work for in 2024. The official announcement of the ranking is pending from GPTW.

The 'Great Place to Work' (GPTW) institute is globally recognised as an authority on workplace

culture. This distinguished institute acknowledges organisations that excel in providing a positive work environment for their employees. Each year, numerous companies participate in their comprehensive study.

We have always been conscious of Amara Raja's reputation as an exceptional workplace, and it brings us immense satisfaction to witness the recognition we receive across our diverse range of businesses. We are humbled by this recognition for ARE&M in the second consecutive year. As a purpose-driven organisation, we are committed to continuously improving ourselves by embodying 'The Amara Raja Way®,' which nurtures a culture of innovation, excellence, entrepreneurship, experiences, and responsibility. These values create an environment where every individual feel motivated to contribute their utmost efforts. We are dedicated to sustaining and improving our initiatives to ensure ARE&M remains an institution of excellence and a great place to work forever.

**Employer of Future Study Award**

ARE&M, the largest company within the Amara Raja Group, takes great

pride in Amara Raja Group being listed in the Top 24 organisations in India for its noteworthy best practices in the Employers of Future Study Conducted by the reputable organisation called LeadUp. Futuristic best practices of Amara Raja Group backed by a redefined organisational philosophy of CARES which stands for Courage, Agility, Resilience, Eagerness, and Speed, have made the organisation a leader in leveraging future-ready talent.

This study looks at dimensions an organisation is trying to balance and master in today's dynamic environment with little predictability. The study found that the 'people first' approach continues to remain at the heart of successful business organisations, and firms that offer prominent platforms to their employees are found to be successful in delivering strong growth in the long run.

With 75+ participating organisations across sectors, industries and sizes and 500+ employees as respondents, the analytical results were across parameters around policies, strategies, practices, core values and vision of the organisations that yearn to champion future readiness.

**AR ProPEL: Amara Raja Programme for Powering-Emerging-leaders**

The AR ProPEL programme, a comprehensive general management and leadership development initiative, developed in partnership with the Indian School of Business, Hyderabad, was a resounding success. A total of 27 leaders from Amara Raja Energy & Mobility Limited participated in and completed the programme.

Commencing on May 4th, 2022, the programme concluded with a memorable valedictory convocation on January 5th, 2023. This esteemed occasion honoured participant leaders and their spouses, with facilitation by the Chairman and senior leaders of Amara Raja. The programme received positive feedback from all participants, featuring nine diverse modules on general management and leadership topics in a hybrid format, combining in-person sessions held on campus and also sessions held virtually.

**MIHP: Medical Insurance and Hospitalisation Policy**

The organisation has diligently reviewed and refined the Medical Insurance and Hospitalisation Policy (MIHP), for non-ESI covered employees, resulting in substantial enhancements and benefits. Notably, the policy now boasts increased coverage and improved benefits, ensuring comprehensive healthcare support. One of the key distinctions of our MIHP is its coverage limits, which are determined based on the employee's age rather than their hierarchical position within the organisation. This principle reflects our commitment to fairness and equity, guaranteeing that all employees receive the same level of coverage based on their age, irrespective of their hierarchy or role.







AR- SEED Training

Specifically, for insured individuals aged 35 and below, the sum insured has been increased from 1.5 Lakh to 2.5 Lakhs, while for those aged 35 and above, it has been enhanced from 2 Lakh to 4 Lakh. We have enhanced the maternity benefit limits for normal delivery from 25K to 50K and for Cesarean delivery from 30K to 70K. These changes aim to provide more extensive coverage to meet the evolving healthcare needs of our workforce.

Moreover, we are proud and pleased to report that the organisation will cover the premium for the enhanced sum insured, demonstrating our commitment to employee welfare.

**AR SEED**

During the year, we successfully designed and executed a specialised programme called the Amara Raja Supervisors Empowerment and Expertise Development (SEED) programme. The SEED programme was crafted to empower supervisors with essential skills, enhancing their role effectiveness and

preparing them for future challenges. Its goals include equipping supervisors with managerial skills to meet evolving demands, fostering structured development for succession planning, and unlocking their full potential within the company.

We are pleased to announce that 111 supervisors were trained, mentored, and successfully completed the SEED programme, receiving certification during FY24. This achievement signifies our commitment to nurturing and empowering our supervisors, providing them with the tools and resources needed to excel in their roles and contribute to the company's overall success.

**Women Forums**

Women's Forum was established and launched within Amara Raja. This significant initiative aimed to create a platform for women within the organisation to come together and share their personal experiences, viewpoints, and guidance on a weekly basis. The forum's primary objectives were to empower, support, and nurture each other, ensuring a

safe and inclusive environment for all participants.

Recognising the importance of maintaining a healthy work-life balance, the forum sought to help women manage their stress levels and find equilibrium between their professional and personal lives. One crucial aspect of the Women's Forum was its focus on enhancing the confidence of its members. By actively listening to their concerns and stories, the forum aimed to instil a sense of trust and assurance. Moreover, the forum served as a platform for women to learn from each other's experiences, fostering growth, understanding, and knowledge sharing.

Since its inception, the Women's Forum has gained immense popularity, with many women actively participating and benefiting from its activities and initiatives. This vibrant community continues to make a positive impact on the lives of women within Amara Raja, providing them with a supportive network and empowering them to thrive both personally and professionally.

**Strengthening Employee Support - Other Key Initiatives**

We have implemented various programmes aimed at enhancing employee welfare and well-being. Notably, we have capability-building programmes such as the Amara Raja Diploma Programme (ARDP) and Power Diploma for Operators. These programmes aim to equip employees with the necessary skills and qualifications to progress internally to staff-grade positions.

Our fast-track career development initiative, the "Switching Lanes Programme", continued to receive an overwhelming response, with hundreds of employees participating and many successfully transitioning to the fast track 'Right Lane' for accelerated growth within the company.

Furthermore, we have made substantial investments in welfare infrastructure to ensure a conducive work environment for our employees. These investments included various expansions, such as enlarging the working men's hostel, extending car parking facilities, establishing cafeteria kiosks at different locations within the campus, and revamping our creche facilities.

Amara Raja remains steadfast in its commitment to fostering a positive and empowering work culture that prioritises the holistic development and welfare of our valued Human Capital.

**Foreign Language Learning Policy**

Amara Raja is dedicated to fostering a workforce equipped for global engagement through its Foreign Language Learning Policy. This initiative, outlined in our sustainability report, underscores our commitment


to providing employees with opportunities for continuous growth and development. By offering courses in languages as per business needs, we aim to enhance linguistic proficiency and cultural understanding among our people. Through instructor-led online learning, employees in the management and staff grades are empowered to deepen their skills, enabling effective communication with stakeholders worldwide. The policy in addition to funding the courses also incentivises employees on completion of the courses. This strategic investment aligns with our vision of a forward-thinking organisation, poised for success in existing markets while strategically expanding into new territories.

Amara Raja's Foreign Language Learning Policy embodies our commitment to talent and organisational growth. By prioritising language proficiency and cultural competence, we empower our employees to excel in global business environments. Through tailored language courses and cultural education, we enhance capabilities as we continue to expand as an enterprise. Collaborating closely with our Learning and Development team, we support employees in their language learning journey, driving strategic objectives and sustainable organisational growth.



# SPEAK THE WORLD, SHAPE THE FUTURE

**Launching Amara Raja Foreign Language Learning Policy**



As part of Amara Raja's global ambitions, we need employees to speak the language of the world. This Foreign Language Learning Policy aims to provide all the support for interested employees (including course fees and incentives as per policy) allowing you to expand your horizons and connect with global stakeholders.

**Your chance to empower your career, while meeting business needs - enhance foreign language proficiency and deepen cultural understanding.**

For more details please refer to the policy on AR ENGAGE



**Leave Policy**

The leave policy has undergone a detailed review and has been revamped to prioritise employee well-being and foster a healthy work-life balance. It now encompasses various leave categories, including Casual Leave, Earned Leave, Special Leave, Sick Leave, Bereavement Leave, Paternity Leave, and Adoption Leave. These provisions ensure that employees have opportunities for rest, recuperation, and attending to personal and family needs, whether due to illness, emergencies, or personal events.

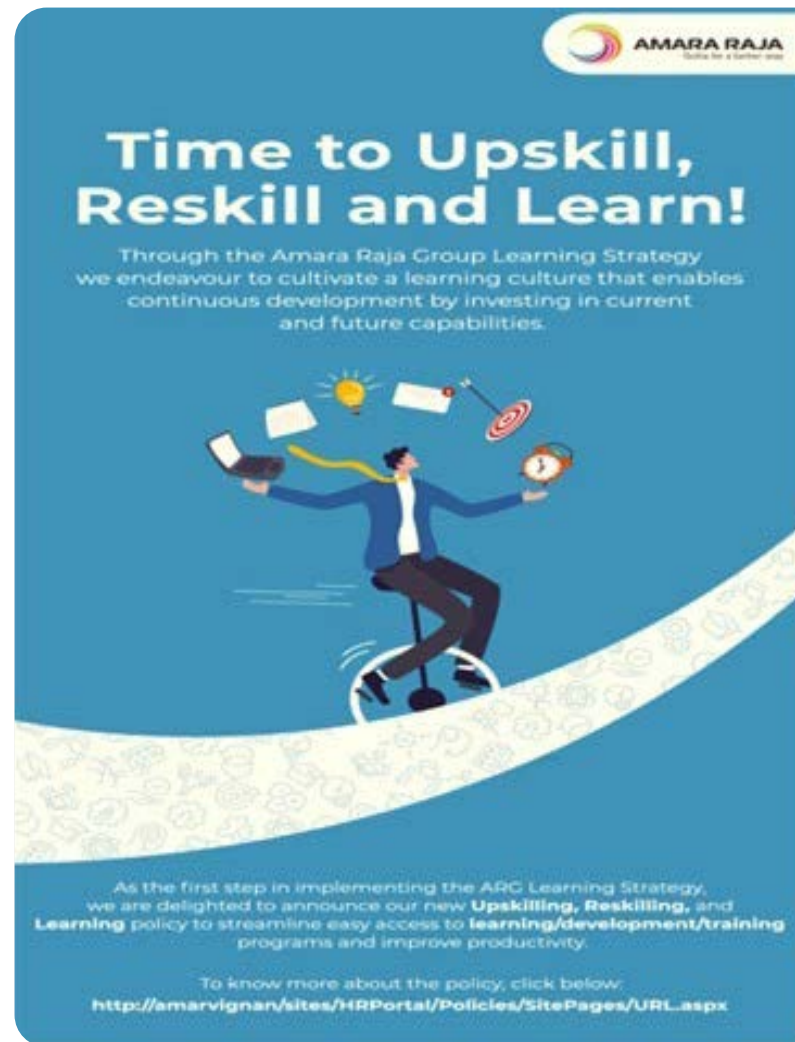
This revamped Leave Policy reflects the organisation’s commitment to providing employees with the necessary time off to rejuvenate and maintain a healthy work-life balance, aligning with sustainable practices that prioritise employee well-being.

**Revamped Salary Advance Policy:**

We have introduced our revamped Salary Advance Policy, designed to provide essential financial support to eligible employees of Amara Raja on specific occasions. This policy offers salary advances for medical emergencies related to employees, their spouses, children, or dependent parents, as well as for situations like the death of immediate family members, self-marriage, or higher education expenses for self or children. The advances are tailored to ensure timely access to funds without burdening employees with immediate financial constraints, emphasising our commitment to supporting their well-being and ensuring peace of mind during challenging times.

**Upskilling, Reskilling and Learning Policy**

We have implemented the Upskilling, Reskilling, and Learning Policy, representing a significant step forward in our commitment to fostering a culture of continuous learning and development within the Amara Raja Group. This policy reflects our unwavering dedication to aligning capabilities and competencies with our organisational vision and strategies. By empowering individuals, teams, and functions to prioritise upskilling and reskilling, we aim to cultivate a dynamic learning culture where learning is not only encouraged but also held accountable at all levels.



This policy encompasses all employees under Management, Staff, and Operator grades, ensuring equitable access to learning opportunities across the organisation. Through our Amara Raja Learning Strategy, embodied in "The Amara Raja Way," we foster ongoing development by investing in current and future capabilities. This commitment enhances organisational productivity and agility, strategically integrating learning and development investments into our annual business planning and budgeting. Our rigorous Training Needs Identification systems ensure skill gaps are identified and addressed, empowering our workforce to thrive in an ever-evolving landscape.

**Development Credit System**

Amara Raja – Development Credit System policy has been introduced with an aim to according credits, to talent and managers for taking up development activities that can be used as inputs for Rewards, Recognition, Performance and Growth, with the following objectives,

To encourage people to take up learning, development opportunities and organisational priority avenues

To motivate managers to invest in their members development

To encourage talent to demonstrate behaviours that are important for the organisation.

To enable continuous development of the right competencies and capability to enhance productivity in current roles and groom talent to higher levels.

This is a unique system, where every employee is eligible for a reward based on completion of the planned training programmes in a financial year. In addition to that, investing in competence development has been linked with growth plans and other career growth aspects of an employee. This will enable the right competencies to be developed at the right time, thereby making the organisation a learning organisation and ready for current and future needs.

**Capability Building Through e-learning**

Our organisation remains committed to leveraging technology for accessible employee learning. In this post-pandemic digital era, the demand for e-learning has significantly increased. Currently, we offer 35 e-learning modules published in our Alt Learning Platform. In the past year, we have developed and implemented over 10 new e-learning programmes covering both technical and behavioural topics.

To cultivate a robust organisational culture, we offer culture-building programmes such as 'Living the Amara Raja Way' with further refinements, available in e-learning formats, to make them readily accessible to our employees. Programmes, like 'Prevention of Sexual Harassment', continue to be mandatory for all employees across various levels emphasising our dedication to man a safe and inclusive work environment across all employee levels and locations.

healthier food choices, we could foster a positive and health-conscious work environment. By providing healthier food choices, we aimed to positively impact employee wellness and contribute to their long-term health.

**Connect and Heal**

Integrated health care and support services to all people: People’s Wellness and well-being continue to be a high priority for us at Amara Raja. In view of providing integrated health care and support services to our employees and their families, we continue to engage with the 'Connect and Heal' (CNH) agency, which renders their services like telemedicine, lab testing, ambulance services, and more.

**Employee Well-being Initiative: Launch of Wellness Menu**

We are pleased to report another significant initiative aimed at enhancing the well-being of our employees. The Wellness Menu in the canteens was meticulously crafted to offer nutritious and balanced meal options, focusing on supporting the overall health and vitality of our workforce. We firmly believe that by providing





We have enhanced our collaboration with Connect and Heal to further prioritise the wellness and well-being of our people. CNH now offers a comprehensive range of services for our people. One notable addition is a free mobile app available to both employees and their dependents. This app provides convenient access to various features, including free online doctor consultations with any of the 22 specialists who can communicate in multiple languages. Additionally, the app includes a health track record feature, allowing our people to monitor and manage their well-being effectively. CNH also offers chargeable services that can be booked through the app, such as lab testing, medicine home delivery, and ambulance services.

#### Group Life Cover Policy

We have always prioritised investing in the Welfare, Wellness, and Well-being of our employees understanding the deep importance of these areas. As an extension of this commitment, the Group Life cover policy remains in place, offering employees and their families essential financial protection and support in the unfortunate event of loss of life while being engaged with Amara Raja. This policy is more than just a benefit; it is a vital assurance that during the most challenging times, our employees and their loved ones will receive the necessary assistance and security they need.

#### Amara Raja Succession and Talent Review (AR STaR)

An important building block of transitioning into the future was building the leadership pipeline and systematically developing leaders for our future. We have a legacy of producing exceptional leaders in the past, and it is imperative to train and mentor current

leaders in their roles to ensure a continuous pipeline of leadership development at all levels.

To supplement that effort, a structured and scientific process called the Amara Raja Succession and Talent Review (AR STaR) process was introduced in 2020-21. AR Star was a systematic and calibrated process for identifying and grooming talent towards taking up pivotal roles from time to time. In addition to these, we continued to focus on all our Talent Management programmes, which also supplemented the overall Leadership Pipeline development.

As part of the AR STaR programme, the Development Centre has been conducted for all employees in Band II (DGM and AGM levels) basis Amara Raja Attitudes and Leader Behaviour. Individual Development plans for each talent have been developed aiming at grooming them to be future leaders. We are currently designing a comprehensive management development programme, named the Future Leaders programme, tailored for the said leaders. This initiative aims to provide structured training in general managerial capabilities and leadership skills.

#### Grievance Redressal

A well-defined procedure is in place to settle the grievances in a short span of time as and when it arises, through a formal and transparent way. Further to promote harmonious work culture and cohesiveness among employees through trust by prompt redressal of grievances that fosters issue-free work culture for employees in the Organisation.

#### Employee Talent Strategy: Attracting and Retaining Excellence

In a competitive market, our company excels in attracting and retaining top talent through

a multifaceted approach that prioritises employee satisfaction and well-being. We foster a positive and inclusive workplace culture, offer ample opportunities for career development and advancement, and emphasise work-life balance. Our commitment to diversity and inclusion creates an environment where employees feel valued, respected, and empowered. Through ongoing training and development programmes, mentorship initiatives, and internal mobility opportunities, we empower employees to pursue their career aspirations within the organisation.

We offer competitive compensation and benefits packages that reflect employees' contributions and support their financial security. Flexible work arrangements and supportive policies enable employees to thrive both professionally and personally.

Employee engagement and recognition programmes celebrate achievements and foster teamwork, ensuring employees feel valued, appreciated, and motivated to perform at their best. Our dedication to attracting and retaining top talent underscores our commitment to building a high-performing organisation.

#### Fostering an Inclusive Environment

Our organisation actively fosters an inclusive environment where employees from diverse backgrounds feel valued and respected. Awareness sessions have been conducted for Band I employees, with plans to extend these sessions to other bands. Several policies and programmes have been planned for the year, and each business unit has taken up action items aligned with their Balanced Scorecards (BSCs).

#### Diversity, Equity, Inclusion, and Belonging (DEIB) Initiatives

Diversity, Equity, Inclusion, and Belonging (DEIB) have become integral to our organisational ethos, driving several initiatives aimed at fostering a more inclusive workplace. To promote gender inclusiveness, we have undertaken various initiatives, including conducting women-only focus group discussions (FGDs) to better understand their expectations, gender sensitisation sessions for senior management employees, and the upcoming Women Leadership Development Programme scheduled for FY24-25. Additionally, we are actively working towards establishing infrastructure and policies that are supportive and inclusive for Persons with Disabilities (PWDs)

Looking ahead, our organisation has set ambitious goals for the upcoming year in the realm of

DEIB. These include expanding our Women Leadership Development Programmes, reclassifying roles to ensure inclusivity across genders and abilities, and drafting policies infused with Diversity, Equity, Inclusion, and Belonging principles.

#### Employee Engagement

At Amara Raja, we have implemented a variety of initiatives to gauge and enhance employee satisfaction and engagement. Our surveys, such as AR Speak and Great Place to Work, provide valuable insights into the pulse of our workforce. Additionally, we facilitate effective communication through various channels including company-wide communications, group communication meets, plant communication meets, and open forums, fostering transparency and dialogue throughout the organisation.

Recognising the importance of rewarding and recognising our employees, we have instituted numerous programmes such as the Amara Raja Diploma Programme (ARDP), Power Diploma for Operators, First-Time Manager training, and ARPropel. Furthermore, our AR Star programmes cater specifically for leadership teams, ensuring that every department feels valued and supported in their career growth.

In terms of training and development, we offer a wide range of programmes aimed at enhancing skills and advancing careers. These initiatives stand as pillars of growth, nurturing individual potential while fortifying our collective organisational prowess.

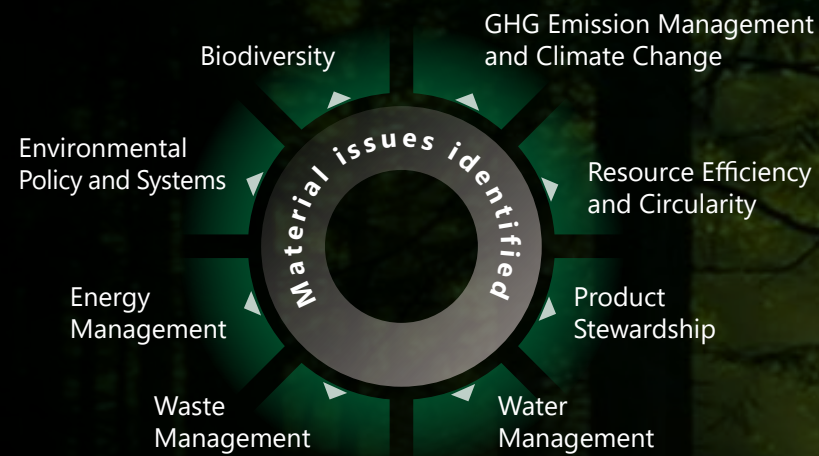
We periodically conduct human rights and social accountability assessments against global standards.





## Natural Capital

We at Amara Raja, prioritise a sustainable future by implementing renewable energy sources, reducing emissions and water usage, and following a circular economy model to minimise waste and maximise resource efficiency throughout operations. This focus on environmental responsibility helps drive positive environmental impact across all facets of our operations.



### Aim of Natural Capital

- |  |  |                              |                          |                                  |
|--|--|------------------------------|--------------------------|----------------------------------|
| Enhance energy efficiency to reduce carbon footprint | Increase the reliability of renewable energy | Impactful water conservation | Minimum waste generation | Promote biodiversity development |
|--|--|------------------------------|--------------------------|----------------------------------|

### SDGs Impacted





Our initiatives encompass water, waste, and energy management, supported by dedicated programmes such as the Sustainability Academy and regular sustainability events. Sustainability Academy enables verticals' leaders to undergo customised e-learning on Sustainability topics relevant to their roles.



**Sustainability Events**

By organising sustainability events such as World Biodiversity Day and World Environment Day, we aim to enhance awareness and promote environmental stewardship, reinforcing our commitment to promoting, preserving biodiversity, and fostering environmental awareness.

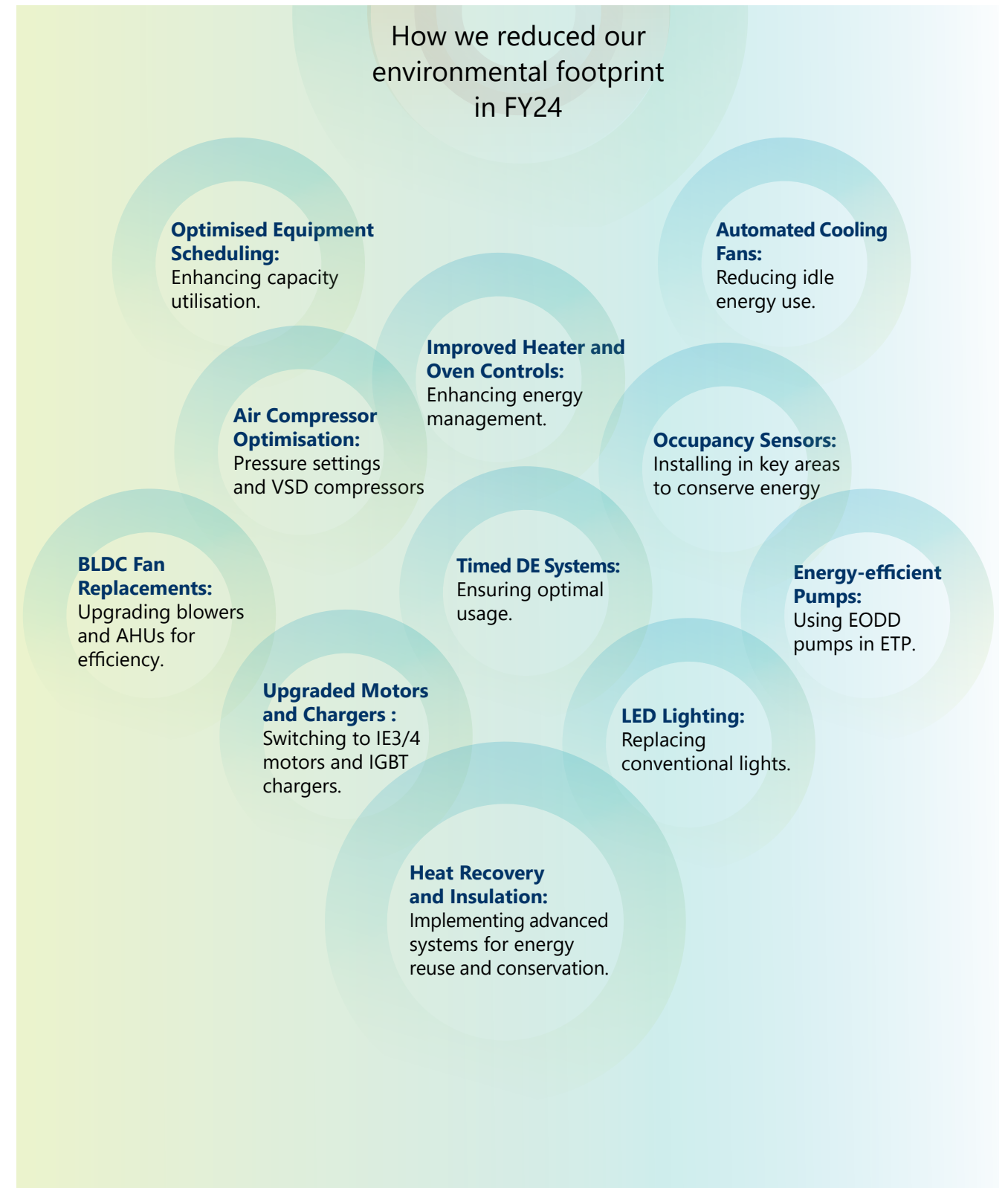
**Energy Management**

The energy monitoring system, a digital tool is pivotal to enhancing operational energy efficiency as it enables real time monitoring of energy use and corrective actions for performance gaps. The primary objective of implementing this initiative at ARE&M was to raise the operational efficiency of our system by replacing labor intensive manual data recording methods with a cutting-edge online energy monitoring system. With this technological transition, we aimed to streamline data collection from 2,000 energy meters, facilitating the precise capture of information across more than 700 energy performance indicators (EnPIs).



**Climate Change and Energy Management**

At Amara Raja, we are dedicated to proactive climate change mitigation and energy management. Central to our strategy are initiatives aimed at enhancing energy efficiency throughout our operations to minimise environmental impact and optimise operational sustainability.





### GHG Emission Management

We prioritise meticulous carbon emissions management in alignment with the Greenhouse Gas Protocol (GHGP) and ISO 14064 standards. We actively pursue initiatives to minimise our carbon footprint through dedicated carbon emissions reduction projects and enhanced energy efficiency measures. Emphasising sustainability, we integrate renewable energy sources, notably solar power, into our energy strategy. Our commitment to excellence is underscored by ISO 50001:2018 certification across our facilities, affirming our rigorous energy management practices with 62MW of RE, our RE share is 24%.



### 62 MW

Installed renewable energy (RE) capacity (with this, our RE share is 24%)

#### Total energy consumption from renewable sources

(in GJ)

FY24	3,37,397
FY23	1,69,932

#### Total GHG emissions (Scope 1 & 2)

(MT-Per ₹ CR)

FY24	19.22
FY23	23.97

### Air Emissions

At Amara Raja, we prioritise air quality management through advanced Fume Extraction Systems and Dust Extraction Systems across our operations. These systems, equipped with robust capacities and bag filters in critical areas such as pasting and assembly sections, effectively mitigate air pollution. Our Fume Extraction Systems, featuring scrubbing mechanisms in Grid Casting and Formation sections, undergo regular validation to ensure optimal performance. Quarterly monitoring of stacks connected to these systems maintains compliance and efficiency standards. Continuous Ambient Air Quality Monitoring Stations (CAAQMS) further enhance our proactive approach by tracking PM10, PM2.5, SOx, and NOx levels,

complementing our commitment to maintaining workplace air quality below statutory limits.

### Promoting Biodiversity

At Amara Raja, we prioritise environmental sustainability through nature-based solutions, focusing on extensive tree plantation efforts both within and around our facilities. This commitment

enhances biodiversity, improves ecosystem health, and contributes significantly to carbon sequestration and air quality improvement. Currently, we maintain a green cover over 55% of our operational areas, having successfully planted 82,611 saplings on-site and an additional 71,000 saplings in surrounding areas.

### 55%

Green cover across our operational areas

### 71,000

Saplings in surrounding areas

### 82,611

Saplings planted on-site

### Waste Management

We implement a robust waste management system focused on recycling and responsible disposal. Waste materials are categorised into hazardous and non-hazardous types, with stringent procedures in place for collection, storage in designated bins and regulated disposal through third-party contractors. The production plant includes a dedicated temporary storage area with preventive measures to prevent pollution and leakage, complemented by appropriate signage. Hazardous waste management adheres strictly to the Hazardous Waste Management Rule, 2020, with authorised agencies overseeing transportation and a comprehensive waste registry maintained to ensure compliant handling throughout the process. Non-hazardous waste, including scrap paper, plastic packaging, and metals, is directed to authorised recyclers.

**Biomedical waste:** Managed according to Bio-medical Waste Management Rules, with detailed records maintained in a waste registry.



**Plastics:** We use recyclable stretch film for web sealing packing and send all generated plastic waste to authorised recyclers. A significant portion of plastic components in batteries are recycled

**E-waste:** We strictly adhere to E-waste regulations by ensuring that the generated E-waste is directed only to authorised recyclers.

Under the Lead Optimisation initiative, we predominantly source lead from recycled batteries, thus reducing reliance on mined lead and mitigating associated environmental impacts. Our R&D division is actively advancing internal projects focused on enhancing material efficiency and minimising lead and acid consumption in batteries, all contributing to our overarching goal of lead optimisation.

### Circular Economy

We are at the forefront of the circular economy with our subsidiary, Amara Raja Circular Solutions (ARCS), will be operating a best-in-class battery recycling plant in Cheyyar, Tamil Nadu in FY25. ARCS set a global standard in lead-acid battery recycling, boasting the largest greenfield smelting and refining capacities worldwide.

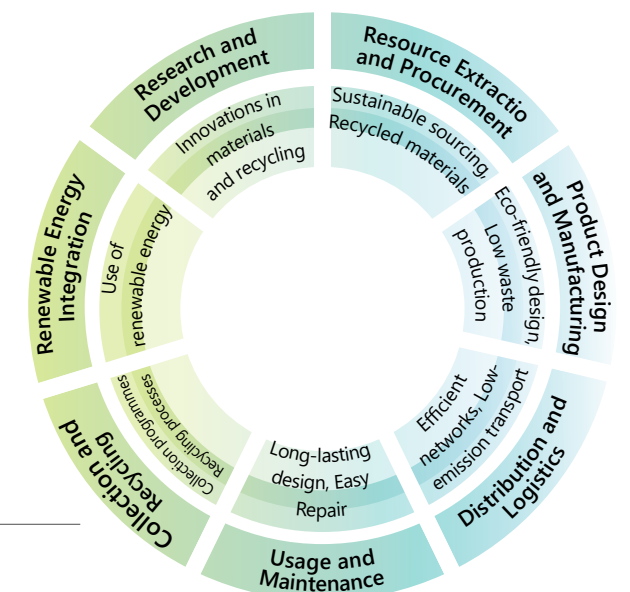
air pollution control devices further enhance environmental stewardship by effectively managing fumes and dust.

ARCS exemplify our dedication to closing the loop and achieving a sustainable circular economy.

The facility incorporates advanced technologies such as a de-sulphurisation system and oxy-fuel technology to significantly reduce CO2 emissions and minimise lead content in slag, ensuring high efficiency and environmental sustainability. Automation plays a key role in systems for automatic charge preparation and robotic ingot stacking, reducing manual intervention. Advanced

### 94%

Manufacturing Waste Recycled





**Resource Efficiency**

At Amara Raja, we adopt an economically efficient approach across all operations, supported by substantial investments in Research and Development aimed at optimising lead utilisation in battery production. Our commitment to sustainability is evident through the maximisation of recycled lead in these processes. We prioritise resource conservation through efficiency measures that minimise raw material inputs. Moreover, a substantial portion of our procurement is sourced from local suppliers, a strategic initiative aimed at reducing potential supply chain disruptions.

**Water Management**

We prioritise water management through the implementation of effluent treatment plants in each production unit, ensuring effective wastewater management. We have also established a Zero Liquid Discharge (ZLD) system with capacities of 280 KLD and 500 KLD, which guarantees that 100% of treated effluents are recycled back into the production process. In-house sewage treatment facilities with reuse water pools enable the repurposing of treated wastewater for horticultural uses.

Additionally, we have constructed a stormwater collection pond with a capacity of 6,500 KL to capture runoff during the initial 30 to 45 minutes of rainfall. This water is treated in a dedicated rainwater treatment plant and reused for laundry purposes. To improve groundwater levels, we undertake initiatives such as building check dams, rainwater harvesting, and restoring ponds within and outside our facilities. Our rainwater harvesting bodies at operating units have a combined capacity of 75,000 m<sup>3</sup>. Regular audits of our Environmental Management

Systems (EMS) help us identify and implement strategies to reduce water consumption.

**780 KLD**

ZLD system (280 KLD and 500 KLD)



**Product Stewardship**

At Amara Raja, our commitment to product stewardship is exemplified by our comprehensive life cycle assessments for Automotive and Industrial batteries. These assessments enable us to identify and mitigate any negative environmental impacts of our products. By leveraging insights from these evaluations, we continually enhance product design and optimise resource efficiency, ensuring our products are both high-performing and environmentally responsible.

**End-of-Life Product Reclamation Processes**

**Plastics (including packaging)**

Complying with the Extended Producer Responsibility (EPR) regulations, we have developed an EPR plan and earned registration as a Brand Owner. This allows us to manage the disposal of Multilayered Plastic (MLP) and other plastic waste from its products in accordance with the EPR Action Plan.

**Battery**

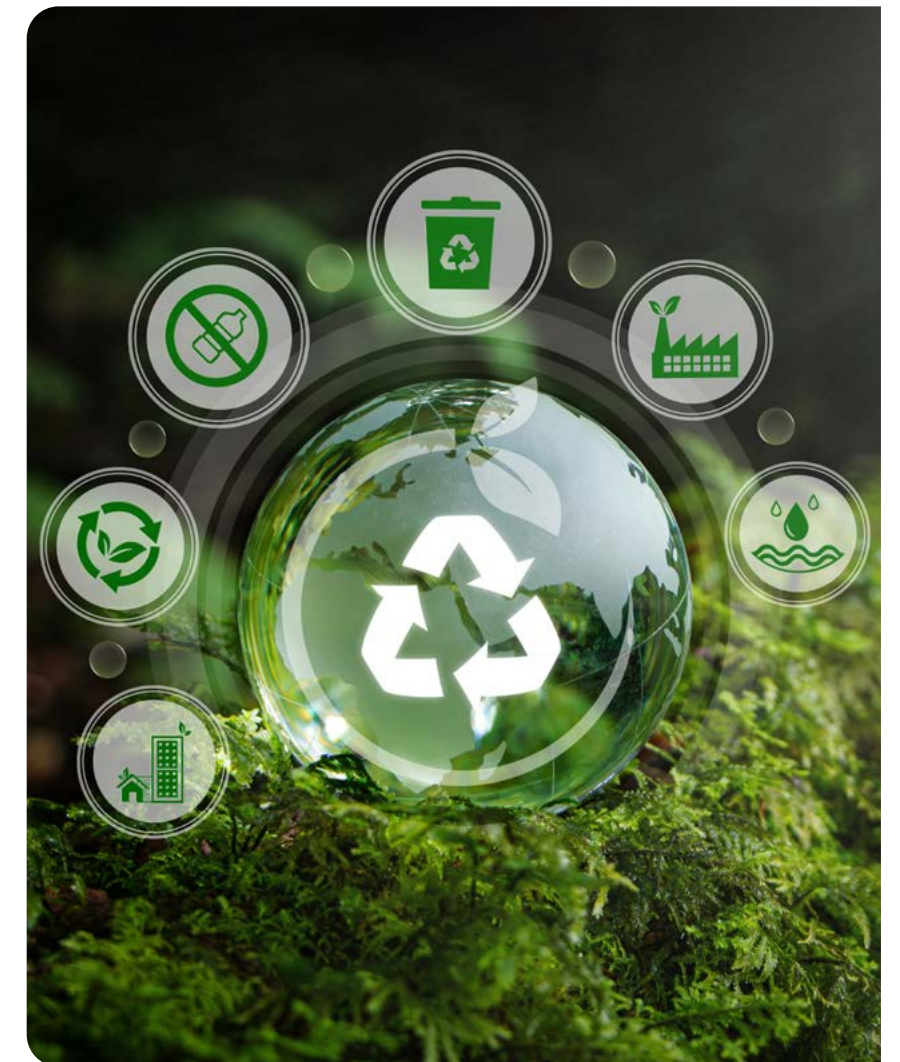
We have implemented a comprehensive lead management system covering the entire lifecycle from procurement to processing, waste generation and recovery. Our unique closed-loop system includes procuring old batteries from dealers, recycling materials via third-party recyclers, and using recovered lead for new battery production.

We have also set up designated used battery collection centres across India and urge end customers to deposit used batteries in these centres through messages on warranty cards.

**Hazardous waste**

We are actively involved in recycling lead by collecting scrap batteries and offering replacements to customers. Used batteries are safely transported to designated smelting plants for lead recycling, ensuring zero harm to the environment.

Currently, recycled sources account for 83% of the lead used in our manufacturing. We are working to increase this proportion by expanding our used battery collection mechanisms. Additionally, a lead recycling facility with a capacity of 1.5 Lacs MTPA is being established in Cheyyar, Tamilnadu, through ARE&M's wholly-owned subsidiary, ARCS.





## Social and Relationship Capital

At Amara Raja, our philosophy of Social and Relationship Capital is rooted in the belief that true value emerges from strong, trust-based relationships with all our stakeholders. We foster enduring connections with communities, customers, partners and investors, driven by our core values of transparency, collaboration and accountability.

We engage in initiatives that promote sustainable development and improve livelihoods to create a positive social impact. Our dedication to responsible corporate citizenship compels us to go beyond mere profitability, focusing on long-term value creation and societal well-being to build a harmonious ecosystem where mutual benefit and growth thrive.

Customer retention to deliver sustainable revenue growth



Efficient and cost-effective logistics leading to on-time deliveries

Making a meaningful difference to communities around us

Increasing participation in the circular economy

### Strength of Social and Relationship Capital

Strong relationship with all stakeholders

Good stakeholder-feedback mechanism

Global logistics coverage with a strong partnership

Initiated grassroots movements to foster community development.

### SDGs Impacted





**Winning partnerships**



Customers



Communities



Suppliers and business partners



Shareholders and Investors

**Customers**

At Amara Raja, we are creating value for our customers through continuous innovation and superior service. By introducing the Voice of Customer through e-surveys, we gain valuable insights to understand and bridge gaps, ensuring we meet and exceed customer expectations. We continue to invest heavily in digital transformation programmes, strengthening our focus on customer satisfaction by improving our turnaround time for support and after-sales services.

**Customer Service and Support**

Our commitment to integrating new technologies and providing excellent customer support allows us to cater to the diverse needs of our customers, maintaining our status as their preferred brand. We leverage opportunities in dynamic markets to deliver exceptional value, and our prompt field support for installations and commissioning has been widely appreciated across all customer segments.

Our customer complaints mechanism effectively addresses issues related to product quality, service, warranty, and more. Customers can log complaints via our digital platform or the 'Amaron Konnekt' mobile app for quick resolutions. Additionally,

we offer a 24x7 helpline for any queries or concerns, reinforcing our commitment to exceptional customer service and support.

**Strengthening Relationships with Suppliers**

We are committed to strengthening our bonds with stakeholders, including our value chain partners and the wider society, through meaningful and purposeful engagement. Over

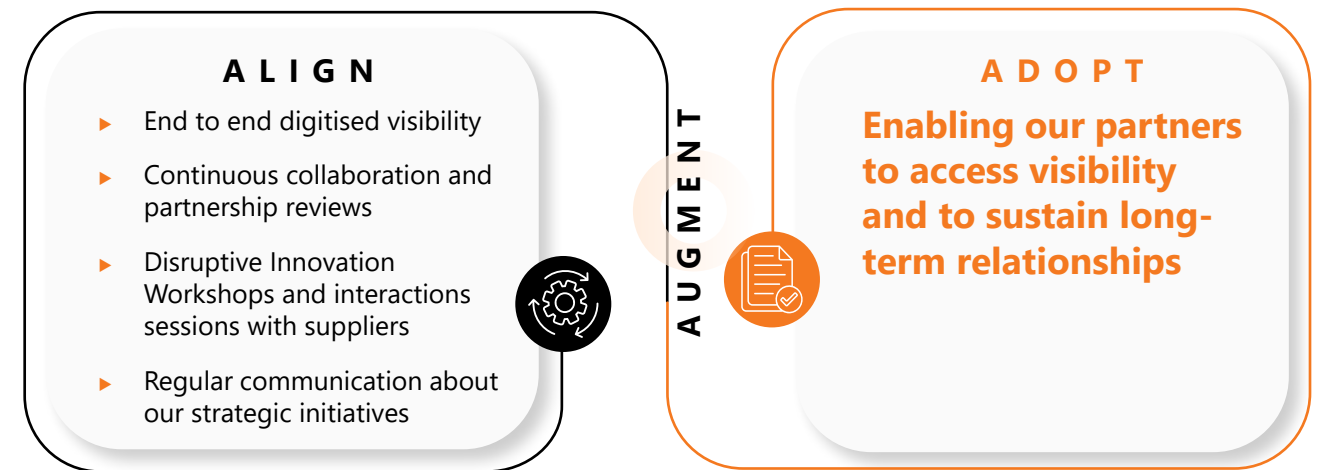
the years, we have built a robust supplier base for sustainable sourcing of primary and secondary lead as well as other raw materials. Our strong rapport with suppliers, combined with careful planning and management of lead flows from various sources, helps us mitigate risks associated with lead sourcing. This collaborative approach ensures a reliable supply chain, enhancing our ability to deliver value and sustain growth.



**Supply Chain Strategy and Supplier Management**

Our supply chain strategy and management are anchored through robust systems and processes that ensure secured supplies and mitigate risks. We achieve this through a collaborative, long-term vendor development strategy that focuses on building and sustaining strong relationships with our suppliers.

To further enhance these relationships, we establish strategic alliances with mutually signed Service Level Agreements (SLAs) that are aligned with our business needs. This approach includes digitised end-to-end visibility across the supply chain ecosystem, promoting transparency and efficiency. These strategies not only help sustain our relationships with suppliers but also support their capability development as we progress together on a path of progressive growth.



**Committed to Deliver**

The demand for storage batteries is always immediate—whether for automotive OEMs, vehicle drivers, telecom tower maintenance, mobile users, data centre owners, or homemakers, a storage battery is invariably an urgent necessity. Meeting this immediate need with exceptional supply chain efficiency is crucial for the success of a battery manufacturer.

For Amara Raja, this challenge has intensified with our rapid growth and expansion. We serve over 3,000 Amaron Franchisees/Power Zone Retail Partners/Aqua channel partners/and direct customers across India, in addition to distributors throughout the Indian Ocean Rim. Additionally, we meet the stringent Just-In-Time (JIT) schedules of leading automotive OEMs, a testament to our robust supply chain capabilities.

To manage this extensive and complex demand, we rely on long-term contracts that enhance our service levels for JIT deliveries. Efficient internal movements result in cost savings and improved service quality. Our two operating plants in South India support our expansive customer base, ensuring prompt and reliable deliveries.

<b>23</b> Branches	<b>36</b> Distribution Points	<b>1,00,000+</b> Point of Sale
<b>90%</b> Process digitised	<b>4,000+</b> Destinations Pan India	<b>2,000+</b> Channel Partners
<b>50+</b> International destinations	<b>80%</b> Fleet contracts minimising aggregators' dependency	



Logistics

The four primary modes of transportation for logistics shipments are Surface, Maritime, Rail and Air.



Surface Transportation

Our Transport and Distribution functions have successfully developed strong partnerships with reputed logistics service providers and Clearing and Forwarding Agents, serving both short and long hauls for over a decade. Operating via surface transportation, our network spans distances from 60 to 3200 km, reaching 320 destinations across PAN India and beyond from our manufacturing facilities. We have implemented strategic initiatives to enhance customer reach and optimize logistics costs. This includes transitioning to more fleet ownership to ensure better service levels and increased vehicle tonnage, resulting in a 28% migration from current levels and reduced carbon footprint through enhanced truck capacity utilisation.

Our continuous engagement with the driver and janitor community focuses on health, safety, and environmental best practices, including setting up of an first of its kind inhouse amenity centre to establish a human connection for leisure and rejuvenation for stress free upcoming shipment drive and better timely reach, significantly reducing accidents, thefts, and transit damages. Additionally, our collaboration with Multi-Modal Logistics Services for surface, rail, and coastal movements has led to a 2% to 3% cost reduction in surface transportation towards eastern

and western regions. Distribution centres are strategically designed to ensure all product variants are consistently available with optimum inventory management, facilitating efficient market reach through both our centres and channel partner stock points. Moreover, our distribution centres are equipped with the necessary infrastructure to adhere to the Battery Waste Management Rules 2022 guidelines.

**We have launched an exclusive 'Voice of Customer' programme to better understand and meet customer service expectations, steadily improving our customer satisfaction ratings.**



Marine Transportation

We are equipped to operate across all ports in India for imports and exports, tailored to meet diverse customer requirements. We adhere to Customs Trade Partnership Against Terrorism (CTPAT) norms for US exports, ensuring compliance and security in our operations.

**We are exploring opportunities to enhance container security and reduce dependency on forwarders to optimise costs.**

- ▶ Utilising Non-Vessel Operating Common Carrier (NVOCC) to secure containers directly.

- ▶ Establishing direct contracts with Main Line Operators (MLOs) for cost-effective shipping.
- ▶ We are also expanding our export capabilities through operations in third countries.

Additionally, recognised as an Authorized Economic Operator (AEO-T2) by Indian customs, we benefit from expedited clearance processes for both exports and imports through our in-house self-clearance team, utilising the green channel efficiently.



Digital Logistics

We are at the forefront of digital innovation in logistics. Here are some key highlights for FY24:

- ▶ **SAP Advanced Transport Management** - This system, integrated with the Logistics Business Network (LBN), provides end-to-end logistics visibility for internal and external stakeholders. This transparency allows for optimised distribution methods and cost reduction.
- ▶ **e-Proof of Delivery (e-PoD)** - This system eliminates paper-based documentation, minimising paperwork, sales reversals, and expediting payments to service providers.
- ▶ **Payables Automation via LBN** - This eliminates physical paperwork for payables, leading to a 50% reduction in lead time.

- ▶ **Warehouse Management System (WMS)** – Our WMS streamlines distribution centre operations by setting efficient policies and processes. This successful implementation ensures flawless execution across all operations.

- ▶ **Real-time Maritime Vessel Tracking** - Through partnerships with maritime liners, we leverage software for real-time vessel performance monitoring and improved shipment traceability, ultimately enhancing service levels.





### Responsible Supply Chain Management

We prioritise transparency in supply chain management through several key initiatives. We have digitalised our distribution centres across PAN India using EWM software, ensuring real-time visibility and efficiency in operations. Additionally, our enhanced EXIM software integrates the Unified Logistics Interface Platform (ULIP), approved by customs, streamlining international logistics processes.

To build robust capabilities, we focus on digital advancements such as AI and General AI, particularly in global distribution centre operations, EXIM activities and sourcing. Our commitment to Diversity, Equity, Inclusion, and Belonging (DEIB) is outlined in a comprehensive roadmap guided by our Centre of Excellence (CoE)

and Continuous Improvement Process (CIP) initiatives under the Supply Chain Council.

In promoting a Circular Economy, we prioritise responsible recycling practices and minimise the need for virgin materials. Our commitment extends to our internal operations through the successful implementation of Battery Waste Management Rules( BWMR Rules 2022). This programme ensures we meet statutory requirements while actively establishing circular economy principles within the organisation.

Additionally, we champion sustainable and safe sourcing practices. This is reflected in our focus on procuring lead and alloys predominantly from secondary sources. We actively support and invest in safe and sound lead recycling initiatives, minimising

environmental impact and maximising resource recovery.

We assess and mitigate the environmental impact of our supply chain activities by securing voyages through Non-Vessel Operated Common Carrier (NVOCC) and Shipper Owned Containers (SOC) for maritime logistics. In our surface transport operations exceeding 350 km, we prioritise migrating from aggregators to fleet ownership, enhancing operational control and reducing environmental footprint.

Our sustainability initiatives include deploying Zero Emission Trucks (ZET) such as EVs, CNG, and LNG for short and middle hauls under 1250 km, targeting a minimum of 20% adoption by FY25. By FY26, we aim to convert entirely to Bharat Stage VI (BSVI) compliant vehicles, further reducing emissions and advancing environmental stewardship.

### Embedding Sustainability in Supply Chain

Embedding sustainability within our supply chain is crucial for our collective success. We emphasize capability-building initiatives, comprehensive sustainability data collection, target setting, and a robust rewards and recognition programme to ensure alignment with our environmental and social standards. This strategic approach fosters continuous improvement and celebrates those who excel in driving sustainable practices, creating a resilient and responsible supply network committed to a sustainable future.

In alignment with our Sustainable Procurement policy, we have implemented sustainable procurement practices across all suppliers, vendors and input materials.

This policy covers a broad spectrum of aspects including ethics, business integrity, human rights, social responsibility, health and safety, the environment, local community engagement, green products and practices, quality, good manufacturing practices, and legal compliance. Our Supplier Code of Conduct

and Sustainable Sourcing Policy foster a sustainable and ethical business environment, underscoring our dedication to responsible business practices and sustainability.

**21%**  
Resources directly procured from MSMEs/small producers

- 1 ESG Data and Targets: Online data collection
- 2 Capability Building: Training suppliers on ESG metrics, data collection and submission
- 3 Collaboration: Agreeing on joint projects in Water, Energy, Carbon and Safety Improvements to support suppliers identifying gaps in their systems and draw up action plans
- 4 Assessments: Supplier evaluation based on ARIBA and periodic re-assessment based on ESG criteria (including physical audits for critical suppliers)
- 5 Rewards and Recognition: Supplier Sustainability Index and annual rewards for supplier sustainability

### Communities

People’s aspirations have far-reaching consequences at the societal and national levels. At Amara Raja, we aim to play the role of a catalyst in enabling them to achieve their dreams. We believe that empowering the nation means empowering its people. In our small yet meaningful contribution to nation-building, we have initiated a movement from the grass-roots level to develop the potential of families and communities around our facilities

#### Core Purpose

**To transform our increasing spheres of influence and to improve the quality of life by building institutions that provide better access to better opportunities to more people...all the time.**





**Our CSR Trust Area**



**Access to Quality Education for Rural Children**

**3**

Schools

**4,700+**

Students



**Health Care**

**Primary Health Centre**

PPP model

**5**

Sub centres covering

**81**

villages

**20,000+**

Population



**Rural Infrastructure**

**Check dams**

**Digital infrastructure IT/Internet**

**RO Plant, Bank, Telephone exchange, Parks**



**Environment**

**Social forestry**

**Rainwater harvesting**



**Skilling Rural India to 'Make in India'**

**Amara Raja Skill Development Centre**

**1,533**

People skilled

**Education**

Amara Raja Educational Society (ARES) realises our dream of an educated India. ARES has three schools located at Karakambadi, Petamitta and Diguvmagham in Andhra Pradesh, which are affiliated to CBSE. In FY24, over 4,700 children benefited by getting a quality education. Over 80% of these students come from marginalised communities, and the schools draw students from over 240 villages across nine surrounding regions.

Amara Raja Vidyalayam, Dighuvamagham commenced its inaugural class for XI during the academic year 2022-2023, marking a significant milestone in its educational journey. The school boasts quality infrastructure including well-equipped laboratories, libraries, and playgrounds, fostering an environment conducive to holistic development. Students have excelled in competitive entrance examinations, securing state-

level ranks and progressing in fields like engineering, medicine and Chartered Accountancy. The school's building expansion is nearing completion to accommodate additional over 700 students.

The school places a strong emphasis on overall personality development. Initiatives like 'No Bag Day' encourage students to engage solely in school activities, promoting creativity and hands-on learning experiences. Inter-

school sports competitions provide opportunities for physical fitness and teamwork, enhancing social skills and sportsmanship among students. Additionally, comprehensive career guidance and counselling sessions are offered to students and parents, ensuring informed decisions about academic and professional pathways. Amara Raja Vidyalayam is committed to nurturing well-rounded individuals equipped to excel in academics, sports, and personal growth.



**Primary Health**

We are realising a vision of a healthy nation through our CSR initiatives, focusing on providing essential healthcare access to underserved communities lacking resources for quality medical services. We have established a network of Primary Health Service centres in rural areas, where in FY24 alone, over 17,163 outpatients were treated and approximately 14,190 lab tests were conducted based on patient needs.

A dedicated Lady Doctor now visits villages to provide crucial medical support to women at Sub-centres. Collaborating with Amara Hospital, monthly outreach programmes with specialised doctors have

been initiated, benefiting more than 150 patients monthly. The availability of male and female doctors and ambulance services further enhances our commitment to delivering comprehensive healthcare solutions to those in need.



**17,163**

Outpatients treated

**14,190**

Lab tests conducted



**Rural Infrastructure**

The Foundation continues to support the adopted panchayats of Karakambadi, Petamitta and Diguamagham in Andhra Pradesh. The Foundation has drawn the blueprint for improving the infrastructure in villages over the coming years. The Foundation has funded the construction of connecting roads, installed RO plants for safe drinking water in villages, street lighting, leisure parks with internet access and a library in Tirupati and Andhra Pradesh districts. These facilities are maintained by the Foundation on an ongoing basis. In FY24, we initiated the Underground Sewer Line project at Petamitta connecting all households of the village. A Solid Waste Management Plant was also installed for effective waste disposal in the village.

**Water**

The Foundation has built and is maintaining 23 check dams and desilted three tanks under its Rajanna Jalasayamu Programme in Andhra Pradesh district. It continues to undertake periodic maintenance of the check dams. Around 60 villages from 12 Panchayats, benefit from this initiative.



**Social Forestry**

Amara Raja dreams of a green future for the generations to come on this planet. We had adopted a 250-hectare plot on a hillock at Pemmugutta in Andhra Pradesh district to create a green cover. Moreover, the Foundation purchased and donated a 30-acre adjoining plot to the government.

Over the years, the Foundation has planted 71,000+ saplings in and around the hillock and will continue to do so in future. The plantation project provides livelihood to about 12 tribal families. Under the Blue-Sky CSR initiative, the Rajanna Foundation enjoyed assistance from nearby communities, school children and its employees.



**Committed to Skilling India**

Committed to empowering India through skill development, we align with the vision of Atmanirbhar Bharat and actively contribute to the nation's Skill India movement. Recognising the urgent need to bridge the skill gap, particularly in rural areas, we operate the Amara Raja Skill Development Centre (ARSDC) under the auspices of the Rajanna Foundation, fully supported by Amara Raja.

Since inception 1533 students placed in AR Group which includes 423 women, with a focus on marginalised communities. Courses accredited under the Government's National Apprenticeship Promotion Scheme (NAPS) emphasise practical training, comprising 70% hands-on learning tailored to industry needs.

The ARSDC curriculum, designed in collaboration with industry experts, enhances both technical skills and employability through personality development programmes. In FY24, the Centre expanded its impact by preparing students for employment in various industries, aiming to capitalise on India's demographic dividend as the world's youngest nation. Reflecting its commitment to continuous growth, ARSDC is launching a second Skill Development Centre in Diguamagham in FY24-25, focusing on Electronics and Construction (MEP), thereby reinforcing its mission to empower rural youth with sustainable employment opportunities.

**Social Impact Assessment**

The impact assessment was conducted by the CII Centre of Excellence for Sustainable

Development (CESD) to measure the social value of our CSR projects and understand their social, environmental, and economic outcomes. The methodology followed was the Social Return on Investment (SROI) Methodology of Social Value UK. The study indicates that the social value created for beneficiaries far exceeds the community investments over the year. The learnings from the study will be used to improve existing initiatives and develop new initiatives for future action.





## Analysis of Standalone Financial Statements

During the year, the Company recorded a profit before tax of ₹ 1,211.03 crore (previous year\*: ₹ 997.04 crore). The increase is primarily on account of increase in revenue from operations and cost efficiencies. The basic and diluted earnings per share was at ₹ 49.49 per share (previous year\*: ₹ 39.92 per share).

Statement of Profit and Loss				₹ in Crore
<b>(a) Revenue from operations</b>				
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>	
Sale of products	11,160.34	10,291.77	8%	
Sale of services	45.29	45.28	0%	
Other operating revenues	54.67	52.66	4%	
<b>Total</b>	<b>11,260.30</b>	<b>10,389.71</b>	<b>8%</b>	

During the year under review, sale of products was higher as compared to the previous year, primarily due to increased volumes in both automotive battery products and industrial battery products. Revenue from trading of Home UPS Systems and Tubular batteries contributed 9% of total revenue as against 4% in the previous year

<b>(b) Other income</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Other income	101.54	89.66	13%

Other income has increased during the year primarily due to accrual of interest on investments and write back of liabilities no longer required.

<b>(c) Cost of material consumed and Purchase of stock-in-trade</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Cost of materials consumed	6496.69	6,458.54	1%
Purchases of stock-in-trade	1208.64	487.29	148%
Changes in inventories of finished goods, work-in-progress & stock-in-trade	(171.19)	52.23	(428)%
<b>Total</b>	<b>7,534.14</b>	<b>6,998.06</b>	<b>8%</b>

During the year under review, the cost of materials consumed and purchases of stock-in-trade increased due to increase in volumes. Higher trading mix has marginally impacted the material cost.

<b>(d) Employee benefits expense</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Employee benefits expense	699.44	651.10	7%

Employee cost increased owing to increments and the annualised impact of head count addition.

<b>e) Finance costs</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Finance costs	33.17	29.60	12%

Finance cost includes interest expense on borrowings that were acquired as part of merger of plastic components business. During the year under review, finance costs increased as compared to previous year primarily on account of export bill discounting charges and Unwinding of discounts on warranty provision.

<b>f) Depreciation and amortization expense</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Depreciation and amortization expense	478.72	450.40	6%

The increase in depreciation and amortisation expense is due to regular additions in fixed assets in view of capacity expansion and maintenance capex.

<b>g) Other expenses</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Other expenses	1,405.34	1,305.52	8%

Other expenses were higher as compared to the previous year primarily on account of increase in insurance premium, sales promotions and professional expenses towards strategic initiatives. Power cost has decreased by 18% as compared to previous year, due to investment in captive solar generation plant.

<b>(h) Tax expense</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Current tax	319.13	262.04	22%
Deferred tax expense	(13.96)	4.29	-425%
<b>Total</b>	<b>305.17</b>	<b>266.33</b>	<b>15%</b>

Increase in current tax expense of the current year is majorly on account of increase in Profit Before Tax. The effective tax rate for FY24 is 25.2% as compared to 26.7% in FY23.

<b>Balance sheet</b>			
<b>(a) Property, plant and equipment and Right-to-use asset</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Property, plant and equipment	2,708.26	2836.93	-5%
Right-to-use asset	364.42	356.50	2%

The decrease in carrying value was on account of additions made during the year are lower as compared to depreciation expense and transfer of assets of Li-ion pack assembly unit to WOS, ARACT.

<b>(b) Capital work-in-progress</b>			
	<b>FY24</b>	<b>FY23*</b>	<b>% Change</b>
Capital work-in-progress	319.59	233.49	37%

Increase in capital work-in-progress is due to new projects under progress during the current fiscal year.



(c) Financial assets			
	FY24	FY23*	% Change
<b>Non-current</b>			
Investments #	1214.15	462.24	163%
Other financial assets*	10.37	115.78	-91%
<b>Current</b>			
Investments ^	264.97	23.77	1,015%
Loans	100.00	88.71	13%
Trade receivables @	1,017.07	779.67	30%
Cash and cash equivalents	89.22	89.44	0%
Other Bank balances	15.25	10.39	47%
Other financial assets*	92.37	322.10	-71%

# Increase in non-current investments is due to further investments into wholly owned subsidiaries viz, Amara Raja Circular Solutions Private Limited, Amara Raja Advanced Cell Technologies Private Limited and acquisition of Amara Raja Power Systems Limited. Investments also include conversion of loan given to Inobat AS into equity investment.

\* Receipt of fire accident insurance claims resulted in decrease of other financial assets.

^ Current investments were higher compared to the previous year, primarily due to surplus cash invested in mutual funds.

@ Increase in trade receivables is due to sales made towards the end of the financial year with higher credit terms.

(d) Inventories			
	FY24	FY23*	% Change
Inventories	1,809.54	1,675.19	8%

Inventories at the end of the current fiscal year were higher, primarily due to an increase in the closing stock of finished goods to fulfill certain export orders and a higher holding of trading goods.

(e) Financial liabilities			
	FY24	FY23*	% Change
<b>Non-current</b>			
Borrowings#	25.99	80.01	-68%
Lease Liability*	73.23	63.50	15%
<b>Current</b>			
Borrowings#	27.34	31.05	-12%
Trade payables ^	839.83	751.35	12%
Lease Liability	26.11	26.79	-3%
Other financial liabilities @	320.50	247.20	30%

# Decrease in the borrowings is due to repayments made during the year.

\* Increase in lease liabilities is due to recognition of new lease liabilities during the year.

^ Increase in trade payables is primarily due to increase in pending payable for purchase of materials.

@ Increase in other financial liabilities primarily due to accrual for incentives and trade schemes.

\* FY22-23 figures have been restated to include the Plastic Component for the Battery Business of Mangal Industries Limited, pursuant to the Scheme of Arrangement approved by Hon'ble National Company Law Tribunal. [Refer Note 47 to the standalone financial statements]

Key Ratios and their movement			
	FY24	FY23*	% Change
a) Debtors Turnover (No. of times)	12.47	13.15	-5%
b) Inventory Turnover (No. of times)	4.32	4.02	7%
c) Current Ratio	2.14	2.24	-4%
d) Debt Equity Ratio (No. of times)	0.01	0.02	-57%
e) PBT to net sales (%)	10.75%	9.60%	12%
f) PAT to net sales (%)	8.04%	7.03%	14%
g) Return on net worth (%)	14.18%	13.84%	2%

#### Internal Control

The Company is committed to ensuring an effective Internal Control System and Internal Control Environment that will help in preventing and detecting errors, irregularities and frauds, thus ensuring security of Company's assets and efficiency of operations. The Company has an internal control system and mechanism which is commensurate with the size and complexity of business and aligned with evolving business needs.

The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013 and has covered major processes commensurate with size of the business operations. Controls have been established at the entity level and process levels, and are designed to ensure compliance with internal control requirements, regulatory compliance and appropriate recoding and reporting of financial and operational information.





# 10 Years Standalone Financials

₹ in crores

Parameters / Year	Ind AS**										IGAAP	
	2023-24	2022-23~	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15		
<b>OPERATING RESULTS</b>												
Net sales*	11,260	10,390	8,696	7,150	6,839	6,793	6,051	5,335	4,633	4,211		
Profit before depreciation, interest & tax (PBDIT)^(1)	1,692	1,469	1,091	1,181	1,125	990	929	878	849	724		
Profit before interest & tax (PBIF)^(2)	1,210	1,004	688	861	824	725	696	684	704	588		
Profit before tax (PBT)	1,211	997	690	873	841	730	714	702	723	610		
Profit after tax (PAT)	906	731	511	647	661	483	471	478	492	411		
Dividends*	137	58	171	85	275	71	107	-	73	62		
Dividend Tax*	-	-	-	-	56	15	22	-	15	12		
Retained profits	769	673	340	561	330	398	343	478	404	337		
<b>SOURCES AND APPLICATION OF FUNDS</b>												
<b>SOURCES OF FUNDS</b>												
Share capital	18	17	17	17	17	17	17	17	17	17		
Reserves and surplus	6,750	5,989	4,534	4,193	3,639	3,318	2,920	2,576	2,099	1,682		
Net worth	6,768	6,006	4,551	4,210	3,656	3,335	2,937	2,593	2,116	1,700		
Debt	53	111	23	34	47	58	64	72	74	76		
Deferred tax liability	88	104	31	41	44	96	88	82	54	37		
Funds employed	6,909	6,221	4,606	4,285	3,747	3,490	3,089	2,747	2,244	1,812		
<b>APPLICATION OF FUNDS</b>												
Net fixed assets ***	3,122	3,260	2,492	2,455	1,829	1,813	1,703	1,492	1,352	944		
Goodwill ++	428	428	-	-	-	-	-	-	-	-		
Capital work-in-progress >	322	234	830	399	827	315	226	240	123	86		
Investments	1,479	486	78	281	156	20	35	147	20	16		
Gross current and other assets	3,482	3,530	2,976	2,663	2,188	2,348	2,204	1,706	1,456	1,341		
Current liabilities and provisions	1,924	1,717	1,770	1,512	1,254	1,006	1,080	838	707	576		
Net current assets	1,558	1,813	1,206	1,151	934	1,342	1,124	868	749	766		
Net assets	6,909	6,221	4,606	4,285	3,747	3,490	3,089	2,747	2,244	1,812		
<b>RATIOS</b>												
PBT to Net sales (%)	10.75	9.60	7.93	12.21	12.29	10.75	11.80	13.16	15.6	14.48		
PAT to Net sales (%)	8.04	7.03	5.88	9.05	9.66	7.12	7.79	8.97	10.61	9.76		
Return on Assets (ROA) (%) <sup>(3)</sup>	23.13	22.35	18.53	26.32	27.77	24.77	27.38	31.77	40.57	48.49		
Return on net worth (%) <sup>(4)</sup>	14.18	13.84	11.67	16.45	18.91	15.42	17.04	20.32	25.77	26.83		
Debt : Equity (times)	0.01	0.02	0.01	0.01	0.01	0.02	0.02	0.03	0.04	0.04		
Fixed assets turnover (times) <sup>(5)</sup>	3.19	3.01	3.28	2.75	3.64	3.65	3.43	3.45	3.18	4.14		
Earnings per share (₹)	49.49	39.92	29.93	37.87	38.69	28.31	27.59	28.01	28.78	24.05		
Dividend (%) <sup>(6)</sup>	9.90	6.10	4.50	11.00	11.00	7.08	4.15	4.25	4.25	3.61		
Book value per share (₹)	369.78	328.15	266.46	246.49	214.01	195.26	171.97	151.81	123.87	99.50		
Share Price (as of 31st March) - (₹)	760.40	579.10	536.40	853.80	478.05	718.95	797.50	890.05	879.55	833.05		

\*Net sales are after reducing excise duty collection from gross sales.

†PBDIT and PBIF are net of non operating income and expenditure.

- Under Ind AS final dividend including taxes are accounted only after approval of the shareholders in AGM.

\* The Finance Act, 2020 has repealed the Dividend Distribution Tax (DDT). The Company is now required to pay/distribute dividend after deducting applicable taxes.

\* ROA is PBIF divided by Average Net Operating Assets (ANOA). Net operating assets exclude CWIP, Goodwill, Cash and Non-Trade Investments.

\* Return on net worth is computed based on average net worth.

\* Year end net fixed assets (excluding Goodwill) and manufacturing revenue are considered for computing fixed assets turnover.

\*\* Figures for these years are as per new accounting standards (Ind AS) and Schedule III of Companies Act, 2013. ROCE and RONW for basis as per Ind AS. Hence these numbers are not comparable with previous years.

The figures presented for other years as per IGAAP.

\*\*\*Net fixed assets are including Right-of-use asset in view of Ind AS 116 'Leases' w.e.f. 1st April 2019.

++ Goodwill arisen on de-merger of Plastic Component for Battery Business of Mangal Industries Limited. (Refer Note No 47 of Standalone Financial Statements.)

~ FY22-23 Numbers have been restated including Plastic Component for Battery Business of Mangal Industries Limited. (Refer Note No 47 of Standalone Financial Statements.)





## Corporate Information

### Board of Directors

#### Jayadev Galla

Chairman,  
Managing Director and CEO  
DIN:00143610

#### Harshavardhana Gourineni

Executive Director  
DIN: 07311410

#### Vikramadithya Gourineni

Executive Director  
DIN: 03167659

#### N Sri Vishnu Raju

Non-Executive  
Independent Director  
DIN: 00025063

#### T R Narayanaswamy

Non-Executive  
Independent Director  
DIN: 01143563

#### Bhairavi Tushar Jani

Non-Executive  
Independent Director  
DIN: 00185929

#### Annush Ramasamy

Non-Executive  
Independent Director  
DIN: 01810872

#### Amar Patnaik

Non-Executive Independent  
Director (w.e.f. June 18, 2024)  
DIN: 08602154

For profile of directors, please refer <https://www.amararajaeandm.com/Leadership/Board-Of-Directors>

### Management Team

#### S Vijayanand

President – New Energy Business

#### C Narasimhulu Naidu

Chief Operations Officer

#### Jagadish M

Chief Technology Officer-  
New Energy Business

#### Balaji G

Head - Technology -  
Automotive and Industrial

#### Rajesh Jindal

Chief Marketing Officer - India,  
Automotive Batteries

#### Venkata Krishna M.M

Chief Marketing Officer -  
Industrial Batteries

#### Indeevar Govardhanagiri

Chief Marketing  
Officer - International,  
Automotive Batteries

#### P Muralimohan Reddy

Business SCM Head

#### VVS Sridhar

Business HR Head -  
New Energy Business

#### Ramamurthy Ryali

Business HR Head -  
Automotive and Industrial

#### Murali C

Associate Vice President - Quality  
and Process Control

### Key Managerial Personnel

#### Y Delli Babu

Chief Financial Officer

#### Vikas Sabharwal

Company Secretary

### Statutory Auditors

M/s. Brahmayya & Co.  
Chartered Accountants

D. No. 33-25-33/B, Govindarajulu  
Naidu Street Suryaopet,  
Vijayawada - 520 002

#### M/s. Deloitte Haskins & Sells

LLP, Chartered Accountants  
KRB Towers Plot No. 1 to 4 & 4A,  
1st, 2nd & 3rd Floor  
Jubilee Enclave, Madhapur,  
Hyderabad – 500 081

### Cost Auditors

M/s. Sagar & Associates,  
Cost Accountants

205,2nd Floor, Raghava Ratna  
Towers, Chirag Ali Lane  
Abids, Hyderabad - 500 001

### Secretarial Auditors

M/s. R. Sridharan & Associates,  
Company Secretaries

'Thiruvaramam Apartments',  
Flat No. A3, 1st Floor  
New No.44, Old No.25, Unnamalai  
Ammal Street, T. Nagar,  
Chennai - 600 017.

### Bankers

State Bank of India  
Kotak Mahindra Bank Limited  
Axis Bank Limited  
Citi Bank  
BNP Paribas

### Registered Office

Renigunta - Cuddapah  
Road, Karakambadi Tirupati,  
Andhra Pradesh - 517 520

Tel: 91 877 226 5000  
Fax: 91 877 228 5600  
CIN: L31402AP1985PLC005305

Website:

[www.amararajaeandm.com](http://www.amararajaeandm.com)

E-mail:

[investorservices@amararaja.com](mailto:investorservices@amararaja.com)

### Corporate Operations Office

Terminal A, 1-18/1/AMR/  
NR, Nanakramguda  
Gachibowli, Hyderabad 500 032

Tel: 91 40 2313 9000

Fax: 91 40 2313 9001

### Registrar and Share Transfer Agent

Cameo Corporate Services Limited  
Unit : Amara Raja Energy  
& Mobility Limited  
Subramanian Building, No.1, Club  
House Road, Chennai - 600 002

Tel: 91 44 2846 0390/4002 0700

Fax: 91 44 2846 0129

E-mail: [investor@cameoindia.com](mailto:investor@cameoindia.com)

Investor portal :

<https://wisdom.cameoindia.com>

Website:

<http://www.cameoindia.com>

# Board's Report

To

The Members

**AMARA RAJA ENERGY & MOBILITY LIMITED**

(Formerly known as Amara Raja Batteries Limited)

The Board of Directors are pleased to present their report for the financial year ended March 31, 2024.

## 1. Summary of financial results

The Company's financial performance for the year ended March 31, 2024, is summarized below:

(₹ in Crores)

Particulars	Standalone			Consolidated		
	2023-24	2022-23(R)	2022-23	2023-24	2022-23(R)	2022-23
Revenue from operations	11,260.30	10,389.71	10,385.91	11,708.44	10,392.00	10,388.20
Other income	101.54	89.66	89.33	110.41	92.37	92.04
Total income	11,361.84	10,479.37	10,475.24	11,818.85	10,484.37	10,480.24
Profit before tax	1,211.03	997.04	947.57	1,250.22	996.65	947.18
Less: Tax expense (including deferred tax)	305.17	266.33	253.16	315.84	265.82	252.65
Profit for the year	905.86	730.71	694.41	934.38	730.83	694.53
Total other comprehensive Income/ (Loss)	(6.20)	109.06	110.12	(6.04)	109.25	110.31
<b>Total comprehensive income for the year</b>	<b>899.66</b>	<b>839.77</b>	<b>804.53</b>	<b>928.34</b>	<b>840.08</b>	<b>804.84</b>

(R) stands for Restated figures consequent to Scheme of Arrangement.

Your Company's standalone revenue from operations for the year grew to ₹ 11,260.30 crores from ₹ 10,389.71 crores last year registering a growth of 8.38%. The profit for the year was ₹ 905.86 crores as against ₹ 730.71 crores in the previous year. The Earnings Per Share (EPS) for the year stood at ₹ 49.49 per share, compared to ₹ 39.92 per share for the previous year.

The Directors propose to transfer an amount of ₹ 90.59 crores to the general reserve. An amount of ₹ 5,151.12 crores are in the retained earnings.

## 2. Performance review of the company:

A separate section provides a detailed analysis on performance review of the various divisions of the Company and forms an integral part of this report.

## 3. Name Change:

Having successfully diversified into new areas and to offer innovative solutions to meet the evolving needs of our customers and the industry encompassing diverse range of solutions and products, which includes Batteries, Energy Storage Solutions, Lithium-ion Cell Manufacturing, EV chargers, Hybrid Solutions, Lithium-ion Battery Pack Manufacturing, and exploration of New Cell Chemistries, among others, the Company has changed its name to Amara Raja Energy & Mobility Limited from Amara Raja Batteries Limited w.e.f. September 27, 2023, pursuant to approval of Central Registration Centre/ Registrar of Companies, Andhra Pradesh.

The Current name accurately represents our current business activities and future aspirations to strengthen our market position, enhance our brand value, and capitalize on new opportunities in this ever-evolving segment.

## 4. Dividend

The Company recommended/ declared dividend as under:

	Financial year 2023-24			Financial year 2022-23		
	Dividend per share (₹)	Dividend %	Dividend pay out (in Crores)	Dividend per share (₹)	Dividend %	Dividend pay out (in Crores)
Interim Dividend	4.80	480	81.99	2.90	290	49.54
Final Dividend <sup>1</sup>	5.10	510	93.34	3.20	320	54.66
<b>Total Dividend</b>	<b>9.90</b>	<b>990</b>	<b>175.33</b>	<b>6.10</b>	<b>610</b>	<b>104.20</b>

<sup>1</sup>Final Dividend for FY24 is recommended by the Board of Directors at their meeting held on May 28, 2024, subject to the approval of the members at the 39<sup>th</sup> Annual General Meeting. The Record date for the purpose of final dividend is Thursday, July 18, 2024.



In terms of the provisions of the Income Tax Act, 1961, dividend will be taxable in the hands of the Shareholders. In terms of Regulation 43A of the Listing Regulations, please refer point 31 of this report, for weblink of the Dividend Distribution Policy.

## 5. Scheme of Arrangement

The Board of Directors of the Company at its meeting held on September 26, 2022, approved a Scheme of Arrangement amongst Mangal Industries Limited ("Demerged Company") and Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) ["the Company"] and their respective shareholders and creditors, under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme"). The Scheme, inter-alia, provides for demerger of the plastic component for battery business from the Demerged Company to the Company. The Scheme has been approved by the Hon'ble jurisdictional National Company Law Tribunal vide its order dated January 10, 2024, and the same has become effective from February 1, 2024.

In view of the above-said order, the Board, on February 15, 2024, allotted equity shares to the eligible shareholders as per the share entitlement ratio, and the said shares are admitted for listing on BSE & NSE.

In view of the directions of the Hon'ble National Company Law Tribunal, the Bench at Amaravati vide its Order dated January 10, 2024, has approved the Scheme of Arrangement amongst Mangal Industries Limited (MIL) and the Company and their respective shareholders and creditors (the Scheme) under Sections 230 to 232 of the Companies Act, 2013 for the demerger of Plastic Components for the Battery Business from the MIL to the Company. The Company has restated the standalone and consolidated financials from the Appointed Date i.e., April 1, 2022.

## 6. Financial position

As of March 31, 2024, the net worth improved to ₹ 6,768.65 crores with the net addition of ₹ 763.01 crores to the equity during the year. There is interest-bearing debt as of March 31, 2024. The surplus cash at the year-end stood at ₹ 366.55 crores. CRISIL had re-affirmed the ratings on the Company's long-term bank loan facilities at 'CRISIL AA+/Stable' and on the short-term bank facilities at 'CRISIL A1+.'

A separate section provides a detailed analysis of the financial performance and financial position, which forms an integral part of this report.

## 7. Subsidiaries and Consolidated Financial Statements

a. **Subsidiary Companies:** During the year under review, the Company has four wholly owned subsidiaries. However, none of the subsidiary is a material subsidiary.

i. **Amara Raja Batteries Middle East (FZE) ('ARBME'), Sharjah, UAE,** a wholly-owned subsidiary of the Company, reported net revenue of ₹ 6.44 crores with a Profit After Tax of ₹ 1.14 crores for the financial year ended March 31, 2024.

ii. **Amara Raja Circular Solutions Private Limited ('ARCS'), Andhra Pradesh, India,** a wholly-owned subsidiary of the Company, was incorporated on June 2, 2022, and reported a Profit after Tax of ₹ 0.72 crores for the financial year ended March 31, 2024. The Company is in process of setting up of a Battery Recycling Plant in Cheyyar, Tamil Nadu and the commercial operations are yet to commence.

iii. **Amara Raja Advanced Cell Technologies Private Limited ('ARACT'), Telangana, India,** a wholly-owned subsidiary of the Company, was incorporated on November 29, 2022, and reported net revenue of ₹ 440.05 crores with a Profit After Tax of ₹ 17.10 crores for the financial year ended March 31, 2024. The Company is in the process of setting up a Lithium Cell Gigafactory and Battery Pack Assembly Plant in Divitipally, Telangana, and the commercial operations from these new facilities are yet to commence.

During the year under review, pursuant to approval granted by the Board of Directors at their meeting held on January 25, 2023, the Company entered into a Business Transfer Agreement with ARACT for sale/transfer of New Energy Business of the Company as a going concern on a slump sale basis dated March 1, 2023, w.e.f., June 1, 2023.

iv. **Amara Raja Power Systems Limited ('ARPS'), Andhra Pradesh, India,** During the year under review, Company has acquired a 100% stake in ARPS pursuant to the Share Purchase Agreement dated July 1, 2023. Accordingly, ARPS has become a wholly-owned subsidiary of the Company effective from September 29, 2023.

ARPS is currently manufacturing Industrial Chargers, Integrated Power Systems, EV Chargers for 2W and 3W applications and other energy management devices. Incorporated in 1984, it is one of the largest suppliers of integrated Power systems to Indian Railways and one of the largest Charger manufacturers for the Power control segment. It also has developed the Chargers for EV applications and is currently supplying to some OEMs. Post acquisition, ARPS reported net revenue of ₹ 105.38 crores with a Profit After Tax of ₹ 9.10 crores for the period ended March 31, 2024.

#### **b. Consolidated Financial Statements**

In accordance with the provisions of the Act, Regulation 33 of the Listing Regulations and applicable Accounting Standards, the audited consolidated financial statements of the Company for the financial year 2023-24, together with the Auditor's Report thereon, form part of this Annual Report.

Apart from the wholly owned subsidiaries mentioned above, the Company has no other subsidiaries, associates, or joint ventures. A statement showing the salient features of the financial statements of the subsidiaries, associates, and joint ventures in the prescribed Form AOC-1 is provided as Annexure I and forms an integral part of this report.

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies will be made available to the Company's members on request and kept for inspection during business hours at the Company's registered office. The financial statements and all other documents required to be attached to this report and separate audited financial statements of the wholly-owned subsidiaries are available on the Company's website; please refer to point 31 of this report for weblink of the same.

During the year under review, the Company has not done any revision to the financial statements or report. There were no changes to the Company's financial statements during the last three preceding years.

### **8. Material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.**

There were no material changes and commitments affecting the Company's financial position between the end of the financial year and the date of this Report.

### **9. Directors and Key Managerial Personnel**

During the year under review, there were no changes to the Board of Directors. In accordance with provisions of Section 152 of the Act and pursuant to Articles of Association of the Company, Mr. Harshavardhana Gourineni (DIN: 07311410), is liable to retire by rotation at the ensuing 39<sup>th</sup> Annual General Meeting and, being eligible, offers himself for re-appointment. The brief details required to be disclosed in accordance with the Listing Regulations, Act and Secretarial Standards are included in the notice of the ensuing 39<sup>th</sup> AGM forming part of this Annual Report.

#### **Key Managerial Personnel**

Pursuant to the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following have been designated as Key Managerial Personnel of the Company as on March 31, 2024:

- Mr. Jayadev Galla - Chairman, Managing Director & CEO
- Mr. Y Delli Babu - Chief Financial Officer
- Mr. Vikas Sabharwal - Company Secretary

No changes were made in the Directors and Key Managerial Personnel, and the Company is in compliance with the required provisions of the Act and Listing Regulations.

### **10. Auditors'**

#### **a. Statutory Auditors and their Report**

M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No: 000513S) and M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No: 117366W/W-100018), Joint Statutory Auditors of the Company have issued an unmodified Auditor's Report (Standalone & Consolidated) for Financial Year ended March 31, 2024, and the Joint Statutory Auditors have not reported any matter under Section 143 (12) of the Act, and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

M/s. Brahmayya & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were re-appointed as the Joint Statutory Auditors at the AGM held on August 7, 2020, for a term of five (5) years from the conclusion of the 35<sup>th</sup> AGM till the conclusion of the 40<sup>th</sup> AGM.

#### **b. Cost Auditors and their Report**

Pursuant to Section 148 of the Act read with the Rules framed thereunder, the cost audit records maintained by the Company in respect of its



specified products are required to be audited by a Cost Auditor. The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Sagar & Associates, as Cost Auditors (Firm Registration No: 000118) to audit the Company's cost records for the financial year ending March 31, 2024, at a remuneration of ₹ 4.75 lacs plus taxes and reimbursements.

The requisite resolution for the shareholders of the Company to ratify the remuneration of the Cost Auditor has been set out in the Notice to the 39<sup>th</sup> AGM, which forms part of this Annual Report.

The Cost Audit Report for the financial year ended March 31, 2023, was duly filed with the Central Government within the due date and the Company has maintained the Cost Records/Accounts as required under Section 148 of the Act and there were no adverse observations or remarks in the said report.

During the year under review, the Cost Auditors have not reported any matter under Section 143(12) of the Act. Therefore, no details are required to be disclosed under Section 134 (3) (ca) of the Act.

#### c. Secretarial Auditors and their report

Pursuant to the provisions of Section 204 of the Act, Regulation 24A of the Listing Regulations and rules framed thereunder, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. R. Sridharan & Associates, (Firm Registration No: S2003TN063400) Company Secretaries to undertake the Secretarial Audit of the Company and issue Annual Secretarial Compliance Report.

The Secretarial Audit Report issued by M/s. R. Sridharan & Associates, Company Secretaries for the financial year ended March 31, 2024, in Form MR-3, provided as Annexure II, forms part of this report. The report does not contain any qualifications, reservations or adverse remarks.

The Annual Secretarial Compliance Report was issued by M/s. R. Sridharan & Associates, Company Secretaries for the financial year ended March 31, 2024, in the format prescribed by SEBI. The report does not contain any qualifications, reservations, or adverse remarks.

During the year under review, the Secretarial Auditors have not reported any matter under Section 143(12) of the Act. Therefore, no details are required to be disclosed under Section 134 (3) (ca) of the Act.

#### d. Internal Auditors

The Company regularly monitors the effectiveness of the internal control systems. Independent professional services of M/s. E Phalguna Kumar & Co., Chartered Accountants (Firm Registration No: 002644S), have been availed by the Company to audit specific locations and processes including the adequacy and effectiveness of the company's internal control systems as well as the periodical results of its review of the Company's operations as per an internal audit plan duly approved.

The recommendations of the Internal Auditors on improvements in the operating procedures and control systems for strengthening the operating procedures were also presented periodically to the Audit Committee.

During the year under review, the Internal Auditors have not reported any matter under Section 143(12) of the Act. Therefore, no details are required to be disclosed under Section 134 (3) (ca) of the Act.

### 11. Board and its Committees

#### a. Independent Directors and their Declaration of independence:

The Board of Directors of the Company comprises an optimum number of Independent Directors. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act:

Mr. N Sri Vishnu Raju (DIN: 00025063);  
Mr. T R Narayanaswamy (DIN: 01143563);  
Ms. Bhairavi Tushar Jani (DIN: 00185929); &  
Mr. Annush Ramasamy (DIN: 01810872)

Each Independent Director has confirmed to the Company that he or she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. There has been no change in the circumstances which may affect their status as an Independent Director during the year under review, which had been considered and taken on record by the Board.

All the Independent Directors are registered for a lifetime in the database maintained by the Indian Institute of Corporate Affairs (IICA) and a declaration in this regard was received from each of them.

In the opinion of the Board, all the Independent Directors are persons of integrity and possess the relevant expertise and experience (including proficiency) as required under the Act and the Rules made thereunder.

**b. Number of Meetings of the Board**

During the year, five (5) meetings of the Company's Board of Directors were convened and held in accordance with the provisions of the Act. In addition, an annual Board retreat was held to discuss StratAlign (Strategic Alignment) focusing on segment-wise objectives and target plans for each business (i.e., Automotive (Domestic & International), Industrial and New Energy Business), understanding market trends in comparison with the Company's plans and strategic initiatives, exploring various initiatives and development plans, etc. The date(s) of the Board Meetings and attendance by the directors are given in the Corporate Governance Report, which forms part of this annual report. The maximum time gap between any two consecutive meetings was within the period prescribed under the Act and Listing Regulations.

**c. Committees of the Board**

In compliance with the provisions of Sections 135, 177, 178 or other applicable provisions of the Act and Listing Regulations, the Board constituted the following sub-committees

- i. Audit Committee
- ii. Corporate Social Responsibility Committee
- iii. Nomination and Remuneration Committee
- iv. Stakeholders Relationship Committee
- v. Risk Management Committee &
- vi. Loan & Investment Committee.

The details of the Committees' composition, brief terms of reference, meetings, and members' attendance form an integral part of the Corporate Governance Report. During the year under review, the Board has accepted all the recommendations/submissions of the Committee(s).

**d. Nomination and Remuneration Policy**

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a policy for the selection and appointment of Directors and Senior Management Personnel and their remuneration. Please refer to point 31 for weblink to the Nomination and Remuneration Policy adopted by the Board.

**e. Evaluation of the Board's performance**

As per the provisions of the Act and Regulation 17(10) of the Listing Regulations, the performance of the board, its committees, and members was evaluated. The details of this evaluation form an integral part of the Corporate Governance Report.

**12. Directors' Responsibility Statement**

Pursuant to Section 134(3)(c) and 134(5) of the Act, including any statutory modifications or re-enactments thereof for the time being in force, the Board of Directors of the Company confirm, to the best of their knowledge and belief, that in the preparation of annual financial statements for the financial year ended March 31, 2024:

- i. applicable accounting standards and Schedule III of the Act have been followed;
- ii. appropriate accounting policies have been selected and applied consistently and such judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as of March 31, 2024, and of the profit of the Company for the financial year ended March 31, 2024;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. To ensure this, the Company has established internal control systems, consistent with its size and nature of operations, subject to the inherent limitations that should be recognized in weighing the assurance provided by any such system of internal controls. These systems are reviewed and updated on an ongoing basis. Periodic internal audits are conducted to provide reasonable assurance of compliance with these systems. The audit committee meets at regular intervals to review the internal audit function;
- iv. financial statements have been prepared on a going concern basis;
- v. proper internal financial controls are in place and that such internal financial controls were adequate and were operating effectively;
- vi. systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.



### 13. Corporate Governance

The Company is committed to good Corporate Governance and best corporate practices. The report on Corporate Governance for the financial year ended March 31, 2024, pursuant to Regulation 34 of the Listing Regulations along with the Additional Shareholder's Information are provided as Annexure III forms part of this Annual Report.

A certificate regarding the compliance of conditions of corporate governance issued by M/s R. Sridharan & Associates, Company Secretaries, forms an integral part of the Corporate Governance Report.

### 14. Business Responsibility & Sustainability Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility & Sustainability Report (BRSR) initiatives taken from an environmental, social and governance perspective are disclosed in the prescribed format. BRSR is provided as Annexure IV, which forms part of this report.

### 15. Management discussion and analysis

This Integrated Annual Report sets out management's discussion and analysis of the provisions of Listing Regulations.

### 16. Annual Return

The Annual Return pursuant to Section 92(3) read with Section 134(3)(a) of the Act is available on Company's website, please refer point 31 of this report for weblink of the same.

### 17. Corporate Social Responsibility (CSR)

Corporate Social Responsibility has been an integral part of the Company's culture. Through Rajanna Foundation and Amara Raja Education Society, the company has associated itself with philanthropic activities in the fields of Education, Health, Environment, and Rural Development. During the year, the Company has undertaken various CSR projects in education and rural development.

A brief outline of the CSR Policy of the Company, the CSR initiatives/activities undertaken by the Company during the year and the details of the composition of the CSR Committee are given in the Annual CSR Report provided as Annexure V, which forms part of this Annual Report. Please refer to point 31 of this report for the weblink of CSR Policy.

### 18. Transactions with the Related Parties

All related party transactions entered into during the financial year were on an arm's length basis and were in

the ordinary course of business. During the financial year 2023-24, there were no materially significant transactions with the related parties, which might be deemed to have had a potential material conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties pursuant to the approval so granted are reviewed and approved by the Audit Committee on a quarterly basis. The summary statements are supported by an external independent report, that the transactions are at an arm's length basis and in the ordinary course of business.

The details of the Related Party Transactions pursuant to Section 134 (3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are set out in Form AOC-2, as provided in Annexure VI, which forms part of this Annual Report.

Other than receipt of Sitting Fee/ commission, none of the Non-Executive Directors have any pecuniary relationship or transactions vis-à-vis the Company.

### 19. Internal Financial Controls related to financial statements

The Company has established an adequate system of internal controls commensurate with its size and the nature of its operations. The Company's internal control system covers the following aspects:

- Financial propriety of business transactions.
- Safeguarding the assets of the Company.
- Compliance with prevalent statutes, regulations, management authorisation, policies and procedures.
- Ensure optimum use of available resources.

These systems are reviewed and improved regularly. It has a budgetary control system that monitors revenue and expenditures against the approved budget on an ongoing basis.

The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time.

## 20. Risk Management

The Company has constituted a Risk Management Committee. The Corporate Governance Report details the committee's constitution.

The Company has an elaborate Risk Management framework in place, which helps identify risks and their proper mitigation and lays down the procedure for risk assessment and mitigation through a Risk Committee.

Key risks and their mitigation arising out of internal committee reviews are assessed and reported to the Risk Management Committee on a periodic basis. The major risks, including financial, operational, sectoral, sustainability (particularly ESG-related risks), information, and cyber security risks, identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

During the year, the risk assessment parameters were reviewed, and risk refresh activities were undertaken. The Risk Management Committee reviewed the elements of risk and the steps taken to mitigate them. In the opinion of the Board, there are no major elements of risk that have the potential to threaten the existence of the Company.

## 21. Whistle Blower Policy /Vigil Mechanism

The Company has established a Whistle Blower Policy/ Vigil Mechanism to provide an avenue to raise concerns. The mechanism provides adequate safeguards against the victimization of employees who avail of it and the appointment of an Ombudsperson who will deal with the complaints received. The policy also lays down the process to be followed for dealing with the complaints and in exceptional cases, provides for direct appeal to the Chairperson of the Audit Committee. The Whistle Blower Policy established by the Board is available on the Company's website, please refer point 31 of this report for weblink of the same.

## 22. Health, Safety and Environmental protection (HSE)

Given the nature of its operations, the Company places utmost importance on employee health and safety. The Company believes that "a safe and healthy workplace not only protects employees from injury and illness, it elevates the employee morale." The Company continues to be certified under ISO 14001:2015 and ISO 45001:2018 for its environmental management systems and occupational health and safety management systems, respectively.

All the manufacturing plants continue to be certified under ISO 50001:2018 for their energy management systems, which helps the Company to institutionalize the system requirements and conserve energy.

## 23. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace

The Company has a policy to prevent sexual harassment. It has constituted an Internal Committee in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules made thereunder. During the year, no complaint was received by the Committee. As of March 31, 2024, there were no outstanding complaints. The Company conducts the required workshops and awareness programmes during induction and regular training sessions.

## 24. Other disclosures

### a. Share Capital

The paid-up equity share capital of the Company as of March 31, 2024, stood at ₹ 18.30 crores, comprising 18,30,25,364 equity shares of ₹ 1 each.

Pursuant to Scheme of Arrangement amongst Mangal Industries Limited (Demerged Company) and the Company and their respective Shareholders and Creditors, 1,22,12,864 fully paid-up equity shares of the face value of ₹ 1/- each were allotted to the equity shareholders of the Demerged Company (Record Date i.e. February 02, 2024).

As of March 31, 2024, RNgalla Family Private Limited, Promoter, holds 6,01,45,316 equity shares of ₹ 1 each, constituting 32.86% of the Company's paid-up share capital.

The Equity Shares of the Company are listed on the NSE and BSE. The annual listing fees for the years 2023 & 2024 have been paid to these Stock Exchanges.

### b. Particulars of loans, guarantees and investments

The details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as of March 31, 2024, are given in Notes to the standalone financial statements of the Company.

### c. Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no outstanding deposits as on March 31, 2024.



**d. Reporting of Frauds**

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and the Rules made thereunder.

**e. Significant and material orders passed by Regulators or Courts**

During the year under review, no significant and material orders were passed by the Regulators, Courts, or Tribunals impacting the Company's going concern status and operations.

During April 2021, the Company received closure orders dated April 30, 2021, from the Andhra Pradesh Pollution Control Board (APPCB), for the Company's Plants situated at Karakambadi, Tirupati and Nunegundlapalli village, Chittoor District, Andhra Pradesh. The Hon'ble High Court of Andhra Pradesh has granted an interim suspension of said orders of APPCB until further orders. In compliance with the orders issued by the Hon'ble High Court of Andhra Pradesh, the Company is committed to working closely with APPCB officials for a satisfactory resolution of the matter in the interest of all stakeholders. The Company has always placed its highest priority on the environment and on the health and safety of its workforce and communities around it.

Apart from the above, there are no significant and/or material orders passed by the Regulators or Courts that would impact the Company's going concern status and future operations.

**f. Compliance with Secretarial Standards**

During the year under review, the Company has complied with the Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

**g. Investor Education and Protection Fund (IEPF)**

Section 124 of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, mandates the companies to transfer dividends that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund. Further, the Rules mandate that the shares on which dividend remains unpaid or unclaimed for seven consecutive years or more be transferred to the Demat account of the IEPF Authority.

The details relating to the amount of unclaimed dividend transferred to the IEPF and the shares transferred to the Demat account of the IEPF Authority during the year are provided in the Corporate Governance Report, which forms part of this Annual Report.

Shareholders are requested to ensure their dividends are encashed on time. In case of non-encashment of dividends, shareholders are advised to approach the Company or RTA to claim their unclaimed dividends.

**h. Particulars of conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are annexed hereto as Annexure VII, which forms part of this report.

**i. Particulars of Employees and Remuneration**

The information required pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure VIII, which forms part of this report.

A statement showing names and other particulars of the top ten employees and employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the said rules is provided in Annexure IX. However, as per the provisions of Section 136(1) of the Act, the annual report is being sent to all the members excluding the aforesaid statement. The statement is available for inspection at the registered office of the Company during working hours up to the date of the 39<sup>th</sup> AGM.

**25. Familiarisation Programme for Directors**

In addition to giving a formal appointment letter to the newly appointed Director on the Board, a detailed induction plan covering the role, function, duties, responsibilities and the details of compliance requirements expected from the Director under the Act and relevant Regulations of Listing Regulations are given and explained to a new Director.

Pursuant to Regulation 25(7) of Listing Regulations, details of the familiarization programme for Directors are included in the Corporate Governance Report. Please refer to point 31 of this report for the weblink of the same.

## 26. Other Statutory Disclosures

No disclosure or reporting is required with respect to the following items as there were no transactions related to these items, during the year under review:

- o Issue of equity shares with differential rights as to dividend, voting or otherwise.
- o Issue of sweat equity shares or any other securities.
- o Provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- o Employee Stock Options/Plans
- o No Shares are held in trust for the benefit of employees where the voting rights are not exercised directly by the employees.
- o There were no instances of failure of implementation of Corporate Actions.
- o There are no applications made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- o The Company has not entered into one time settlement with any Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

## 27. Awards and Recognitions

During the year under review, following awards and recognitions were achieved by the Company.

### Operational Excellence Awards: TPM

- Achieved JIPM Excellence in "Consistent TPM Commitment Award" for ABD1 & SBD1 Plants
- Achieved JIPM TPM "Excellence, Category A Award" for LVRLA & MVRLA Plants
- Achieved ABK AOTS DOSAKAI "5S SUSTENANCE LEVEL 2" Award

### Continuous Improvement Awards:

- Won 94 GOLDS & 5 SILVERS in State-Level Quality Circle Competitions (CCQC) held at Tirupati, Andhra Pradesh
- Won "24 PAR-EXCELLENCEs" and "6 EXCELLENCEs" in National-Level Quality Circle Competitions (NCQC) held at Nagpur, Maharashtra

- ABD-1, SBD-1, SBD-2, LVRLA, MVRLA, Component Division HO & ARGC have been recognised with GOLDS in International-Level Quality Circle Competitions (ICQCC) held in Beijing, China
- SBD-1 has been recognised as "2<sup>nd</sup> Best" in CII State-Level Competitions held at Tirupati
- SBD-1 has been recognised as "Runner-up" in CII Southern Region Competitions held at Chennai

### Customer Recognition:

- Overall Excellence Award from Mahindra & Mahindra
- Superior Performance Award from Maruti Suzuki
- High-Quality performance Award from Royal Enfield
- ZERO PPM Appreciation from DAIMLER for Quality.
- Received recognition from OEM customers for "ZERO DEFECT" Supplies from MARUTI SUZUKI, EICHER MOTORS, FORCE MOTORS, TVS, RENAULT and NISSAN
- Achieved Gold Category for Quality System Rating from TVS for 2W
- Achieved Recertification of Diamond Mark for Kenya export Market

## 28. Industrial relations

Industrial relations remained cordial and stable during the year under review. The Directors wish to express their sincere appreciation for the cooperation received from employees at all levels.

## 29. Change in the nature of business

During the year under review, there were no change in the nature of business of the Company.

## 30. Reconciliation of Share Capital Audit

As required by the Listing Regulations, a quarterly audit of the Company's Share Capital is being carried out by an Independent Practicing Company Secretary to reconcile the total share capital, the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Practicing Company Secretary's certificate in regard to the same is submitted to BSE and NSE and is also placed before the Board of Directors.



### 31. Weblink of various policies/reports

Particulars	Weblink
Annual Return	<a href="https://www.amararajaeandm.com/Investors/annual-general-meetings">https://www.amararajaeandm.com/Investors/annual-general-meetings</a>
Board Diversity policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/27?name=Board%20Diversity%20Policy">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/27?name=Board%20Diversity%20Policy</a>
Business Responsibility and Sustainability Report	<a href="https://www.amararajaeandm.com/Investors/annual-general-meetings">https://www.amararajaeandm.com/Investors/annual-general-meetings</a>
Corporate Social Responsibility Policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility</a>
Dividend Distribution Policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/18?name=Dividend%20Distribution%20Policy">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/18?name=Dividend%20Distribution%20Policy</a>
Environment, health and safety policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/26?name=Health,%20Safety%20&amp;%20Environment%20Policy">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/26?name=Health,%20Safety%20&amp;%20Environment%20Policy</a>
Familiarization programme of the Independent Directors	<a href="https://www.amararajaeandm.com/Investors/board-of-directors">https://www.amararajaeandm.com/Investors/board-of-directors</a>
Financial Statements of Subsidiaries	<a href="https://www.amararajaeandm.com/Investors/annual-reports/">https://www.amararajaeandm.com/Investors/annual-reports/</a>
Memorandum and Articles of Association	<a href="https://www.amararajaeandm.com/Investors/downloads">https://www.amararajaeandm.com/Investors/downloads</a>
Nomination and Remuneration Policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/12?name=Nomination%20and%20Remuneration%20Policy">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/12?name=Nomination%20and%20Remuneration%20Policy</a>
Policy for determining material subsidiaries of the Company	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/25?name=Policy%20on%20determination%20of%20material%20subsidiary">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/25?name=Policy%20on%20determination%20of%20material%20subsidiary</a>
Policy on dealing with related party transactions	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/24?name=Policy%20on%20dealing%20with%20Related%20Party%20Transactions">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/24?name=Policy%20on%20dealing%20with%20Related%20Party%20Transactions</a>
Whistle Blower Policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/15?name=VIGIL%20MECHANISM/%20WHISTLE%20BLOWER%20POLICY">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/15?name=VIGIL%20MECHANISM/%20WHISTLE%20BLOWER%20POLICY</a>

### 32. Acknowledgement

The Directors take this opportunity to thank all the stakeholders of the Company for their continued support and express their sense of gratitude to the customers, vendors, banks, financial institutions, channel partners, business associates, and Central and State Governments for their cooperation and look forward to their continued support in the future. The Directors wish to record their sincere appreciation for the contribution made by the employees at all levels and applaud them for their superior competence, dedication, and commitment to the Company. The Directors are thankful to the shareholders for their continued patronage.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: May 28, 2024

**Jayadev Galla**  
Chairman, Managing Director & CEO  
DIN: 00143610

# Annexure I

## Form AOC-1

(Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement showing salient features of the financial statements of subsidiaries, joint ventures and associates as per Companies Act, 2013

### Part A: Subsidiaries

(Amount in ₹ crores)

1	Name of the Subsidiary	Amara Raja Batteries Middle East (FZE), Sharjah, UAE	Amara Raja Circular Solutions Private Limited	Amara Raja Advanced Cell Technologies Private Limited	Amara Raja Power Systems Limited
2	Date of Incorporation/ Acquisition	July 31, 2018	June 2, 2022	November 29, 2022	September 29, 2023 (Date of acquisition)
3	Reporting period for the subsidiary concerned	Same as Holding Company, April 1, 2023, to March 31, 2024	Same as Holding Company, April 1, 2023, to March 31, 2024	Same as Holding Company, April 1, 2023, to March 31, 2024	Same as Holding Company, April 1, 2023, to March 31, 2024
4	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	United Arab Emirates Dirham(AED) 1 AED = 22.7022 INR	Not Applicable	Not Applicable	Not Applicable
5	Share Capital	0.56	280.00	400.00	9.40
6	Reserves and Surplus	4.18	39.94	16.48	80.76
7	Total Assets	6.81	370.39	594.81	141.43
8	Total Liabilities	2.07	50.45	178.33	51.27
9	Investments	-	48.60	31.26	8.49
10	Turnover	6.44	-	440.05	105.38*
11	Profit before tax	1.14	1.35	22.99	13.10*
12	Provision for tax	-	(0.62)	(5.89)	(3.99)*
13	Profit after tax	1.14	0.72	17.10	9.10*
14	Proposed Dividend	-	-	-	-
15	Extent of shareholding (in percentage)	100%	100%	100%	100%*
Names of subsidiaries which are yet to commence operations			Amara Raja Circular Solutions Private Limited		
Names of subsidiaries which have been liquidated or sold during the year.			NIL		

### Part B: Joint Ventures/ Associates

There are no Joint Ventures/Associates.

\*From the date of acquisition

#### For and on behalf of the Board of Directors

##### Jayadev Galla

Chairman, Managing Director & CEO  
(DIN: 00143610)

##### Harshavardhana Gourineni

Executive Director  
(DIN: 07311410)

##### Vikramadithya Gourineni

Executive Director  
(DIN: 03167659)

##### Y Delli Babu

Chief Financial Officer

##### Vikas Sabharwal

Company Secretary

New Delhi/ Hyderabad, May 28, 2024



# Annexure II

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended]

The Members,

**AMARA RAJA ENERGY & MOBILITY LIMITED**

CIN: L31402AP1985PLC005305

Renigunta- Cuddapah Road,

Karakambadi,

Tirupati, Andhra Pradesh – 517520.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AMARA RAJA ENERGY & MOBILITY LIMITED [Formerly Known as Amara Raja Batteries Limited]** [Corporate Identification Number: L31402AP1985PLC005305] (hereinafter referred to as "the Company") for the financial year ended 31<sup>st</sup> March, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2024 complied with the 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 the Company for the financial year ended 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of

Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable during the year under review);
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable during the year under review);
  - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable during the year under review);
  - g) 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 (not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable during the year under review); and

- i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (not applicable during the year under review);
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
  1. Battery Waste Management Rules, 2022
  2. Acts and Rules relating to Environmental protection and energy conservation;
  3. Acts and Rules relating to hazardous substances and chemicals;
  4. Acts and Rules relating to Plastic Wastes;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (Revised effective from October 1, 2017) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (herein after referred as "Listing Regulations").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Woman Independent Director and Independent Directors. There were no changes in the composition of the Board of Directors during the financial year under review.

Adequate notice is given to all the directors before schedule of the Board/ Committee 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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Act and Secretarial Standards on Board Meeting are complied with.

During the year under review, Directors/ Members have participated in the Board/ Committees meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meeting and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors/ Committee Members and no Director/ Members of the Committee dissented on the decisions taken at such Board/ Committee Meetings. Further, in the minutes of the General Meetings, the numbers of votes cast against the resolution(s) by the members have been recorded.

**We further report that** based on review of compliance mechanism established by the Company and on the basis of the Compliance certificates issued by the Chief Financial Officer and Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

**We further report that** the above mentioned Company being a listed entity this report is also issued pursuant to Regulation 24A of the Listing Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 issued by Securities and Exchange Board of India.

**We further report that** as per the information and explanations provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of the Listing Regulations as amended during the period under review.

We further report that during the audit period, the Company has

1. Obtained approval of Board of Directors at their meeting held on 23<sup>rd</sup> May, 2023 for secondary acquisition of 100% of the equity share capital of Amara Raja Power Systems Limited at a consideration of ₹ 133 crores (net of dividend) from RN Galla Family Private Limited. The same has been completed as on 29<sup>th</sup> September, 2023.



2. Obtained approval for change of name of the company from Amara Raja Batteries Limited to Amara Raja Energy & Mobility Limited with effect from 27<sup>th</sup> September, 2023.
3. Obtained approval of the Board of Directors at their meeting held on 31<sup>st</sup> October, 2023 for Enhancement of limits to provide securities or issue guarantee or forex hedging facility for an amount not exceeding ₹ 1000 crores to the subsidiaries of the company in one or more tranches under Section 186 of the Companies Act, 2013.
4. Obtained approval of the Board of Directors at their meeting held on 31<sup>st</sup> October, 2023 for further investment (Loan/Equity/Other mode) in Amara Raja Advanced Cell Technologies Private Limited for ₹ 500 crores.
5. Obtained the order dated 10<sup>th</sup> January, 2024 from Hon'ble National Company Law Tribunal, Amaravathi bench for sanctioning the Scheme of Arrangement amongst Mangal Industries Limited and Amara Raja Energy & Mobility

Limited and their respective Shareholders and Creditors and subsequently allotment of 1,22,12,864 equity shares of Re.1/- each at a fair value of ₹ 550.70 per share has been made to the shareholders of RN Galla Family Private Limited.

For **R.SRIDHARAN & ASSOCIATES**  
COMPANY SECRETARIES

**CS R.SRIDHARAN**

FCS No. 4775

CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775F000417737

Place : Chennai

Date: May 28, 2024

*This report is to be read with our letter of even date which is annexed as **ANNEXURE -A** and forms an integral part of this report.*

CO

Statutory Report



FS

## 'Annexure -A'

The Members

**AMARA RAJA ENERGY & MOBILITY LIMITED**

CIN: L31402AP1985PLC005305

Renigunta-Cuddapah Road,

Karakambadi,

Tirupati, Andhra Pradesh –517520.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct 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 as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
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.

For **R.SRIDHARAN & ASSOCIATES**  
COMPANY SECRETARIES

**CS R.SRIDHARAN**

FCS No. 4775

CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775F000417737

Place : Chennai

Date: May 28, 2024



## Annexure III

# Corporate Governance Report

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule V thereto, compliance with the requirements of Corporate Governance is set out below:

### 1. Corporate Governance Philosophy

Corporate Governance is based on good principles and practices such that the affairs of the Company are managed to ensure accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Amara Raja Energy & Mobility Limited ("Amara Raja" or "the Company") is committed to the adoption of best governance practices and its adherence to the business of the Company. Corporate governance is reinforced through the Company's policies,

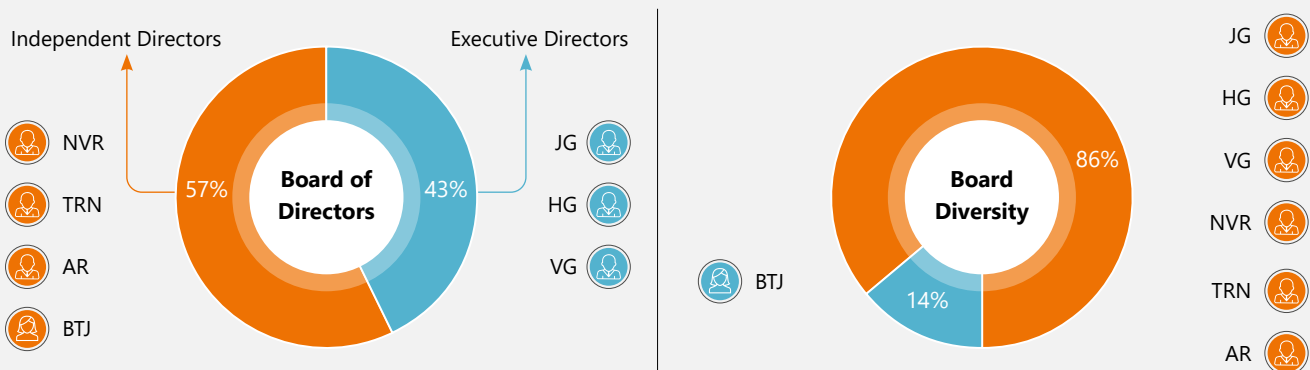
internal control systems, timely disclosures, transparent accounting policies, internal control of operations and high levels of integrity in decision-making to enhance the value to the stakeholders.

Your Company follows the applicable Corporate Governance requirements as enshrined in the Companies Act, 2013, read with the Rules made thereunder ("Act"), Listing Regulations and other applicable laws.

### 2. Board of Directors

The Company's Board comprises Seven (7) Directors as on March 31, 2024, out of which Four (4) are Non-Executive Independent Directors and Three (3) are Executive Directors. Board consists of One (1) Chairman (Managing Director & Chief Executive Officer), Two (2) Executive Directors and Four (4) Independent Directors including One (1) Woman Director.

Table 1 gives details of the composition of the Board and their Directorships as on March 31, 2024.



- JG - Jayadev Galla
- NVR - N Sri Vishnu Raju
- HG - Harshavardhana Gourineni
- TRN - T R Narayanaswamy
- VG - Vikramadithya Gourineni
- AR - Annush Ramasamy
- BTJ - Bhairavi Tushar Jani

Name	Designation	Category	Relationship	Directorships <sup>2</sup>		Members in Committees <sup>3</sup>	Chairmanship in Committees <sup>3</sup>
				Public Companies	Private Companies		
Mr. Jayadev Galla DIN: 00143610	CMD & CEO	Promoter & Executive Director	None <sup>1</sup>	3	7	2	0
Mr. Harshavardhana Gourineni DIN: 07311410	Executive Director	Promoter & Executive Director	None <sup>1</sup>	3	7	2	0
Mr. Vikramadithya Gourineni DIN: 03167659	Executive Director	Promoter & Executive Director	None <sup>1</sup>	3	7	1	0
Mr. Annush Ramasamy DIN: 01810872	Director	Independent & Non- Executive Director	None	4	10	1	0
Ms. Bhairavi Tushar Jani DIN: 00185929	Director	Independent & Non- Executive Director	None	1	17	1	0
Mr. N Sri Vishnu Raju DIN: 00025063	Director	Independent & Non- Executive Director	None	2	16	3	1
Mr. T R Narayanaswamy DIN: 01143563	Director	Independent & Non- Executive Director	None	1	8	2	1

1. Mr. Jayadev Galla, Mr. Harshavardhana Gourineni and Mr. Vikramadithya Gourineni are not relatives in terms of Section 2(77) of the Act. However, as per the definition of Related Party in terms of Listing Regulations, they are forming part of the Related Party;
2. Number of Directorships excludes foreign companies, Section 8 companies as per Companies Act, 2013 and includes Directorship in this Company;
3. Only Memberships/Chairmanships of the Audit Committee(s) and Stakeholders Relationship Committee(s) of listed and unlisted public companies(s), including this Company are considered.







### Core competencies of the Board of Directors as per Schedule V of Corporate Governance requirements of the Listing Regulations:

The Board of Directors has identified the skills/expertise/competencies fundamental for the effective functioning of the Company namely knowledge of the Company's businesses, policies and culture, major risks/threats and potential opportunities and knowledge of the industry in which the Company operates technical / professional skills and specialized knowledge.

The directors have expertise in the fields of 'Strategy, Governance and Board service'; 'Business Understanding'; 'Industry & Sector Knowledge'; 'Finance'; 'Technology'; 'Human Resources'. Such expertise enables the board to steer the Company in the right direction.

The board provides leadership, strategic guidance, and objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. It regularly reviews the Company's governance, risk and compliance framework, sustainability & ESG performance, business plans, and organization structure to align with the highest standards.

Table 2 gives details of their individual competence, expertise and skills.

<ul style="list-style-type: none"> <li>● Jayadev Galla</li> <li>● Harshavardhana Gourineni</li> <li>● Vikramadithya Gourineni</li> <li>● N Sri Vishnu Raju</li> <li>● T R Narayanaswamy</li> <li>● Annush Ramasamy</li> <li>● Bhairavi Tushar Jani</li> </ul>		Strategy, Governance and Board service		Business Understanding		Industry & Sector knowledge
		Finance		Technology		Human Resources



**Declarations:**

1. The Board's composition confirms with Regulation 17(1) of the Listing Regulations.
2. None of the Board members are directors of more than seven listed companies, as required under Regulation 17A of the Listing Regulations.
3. None of the Independent Directors are serving as independent directors in more than seven listed entities as required under Regulation 17A of Listing Regulations, and Mr. Jayadev Galla, Chairman, Managing Director & CEO, Mr. Harshavardhana Gourineni, Executive Director, and Mr. Vikramadithya Gourineni, Executive Director, are not serving as Independent Directors in any other listed company.
4. None of the Independent Directors is Managing Director or Whole Time Director of any other listed entities as required under Regulation 17 of the Listing Regulations.
5. None of the Directors on the Board is a member of more than 10 committees and Chairperson of more than 5 committees across all the Companies in which he/she is a director as required under Regulation 26 of Listing Regulations.
6. None of the Directors holds any shares in the Company except Mr. Jayadev Galla, Mr. Harshavardhana Gourineni, and Mr. Vikramadithya Gourineni, who are also Directors in Mangal Industries Limited and/or RNgalla Family Private Limited (RFPL). These companies, together with the said directors, are termed promoters of the Company, and RFPL holds 32.86% of the equity share capital of the Company.
7. The maximum tenure of independent directors is in accordance with the Companies Act, 2013, and rules made thereunder read with Regulation 25 of the Listing Regulations.
8. As per the requirements of Regulations 25(6) of the Listing Regulations, there was no requirement to replace the vacancy created by the resignation of the Independent Directors.
9. During the financial year 2023-24, information as specified in Part A of Schedule II to the Listing Regulations, such as annual operating plans and budgets, capital budgets, financial results, foreign currency exposures, minutes, on a quarterly basis and other information as and when applicable of the Company including its Wholly Owned Subsidiaries were placed before the Board for its consideration.
10. The Senior Management Personnel confirmed that they have no personal interest in all material financial and commercial transactions entered into by the Company, which may potentially conflict with the interests of the Company at large.
11. The Company has a suitable Directors & Officers Insurance Policy obtained with adequate coverage and complies with the requirement of Regulation 25(10) of Listing Regulations.
12. A formal letter of appointment is issued to all Independent Directors, a specimen of which is been placed on the Company's website <https://www.amararajaeandm.com/Investors/board-of-directors>
13. Details of Directors along with their profiles are available on the website of the Company, and the profile of the Directors proposed to be appointed/reappointed along with the names of the Companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and other details as required under Secretarial Standard on General Meetings and Listing Regulations are furnished as an **Annexure - II** to the notice of the 39<sup>th</sup> Annual General Meeting.
14. None of the Directors is a director or holds any position in other Listed Entities, except Mr. N Sri Vishnu Raju, Independent Director. Details, as required under Listing regulations, are given in Table 3.

**Table 3: Details of Directors who are directors in other listed entities:**

Name of the Director	Name of the Listed Entity	Category and Designation
Mr. N Sri Vishnu Raju	Zyduz Wellness Limited	Independent Director

15. All the Independent Directors of the Company have given their respective declarations/disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under Section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board, after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant

expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

16. All the Independent Directors registered with the Indian Institute of Corporate Affairs for life and complied with Rule 6 (1) and (2) of Companies (Appointment and Qualification of Directors) Rules, 2014. The tenure of the Independent Directors is in accordance with the provisions of the Act and rules made thereunder.
17. During the year, none of the Independent Directors has resigned from the Directorship of the Company.

### **Board Meetings, Procedure & Term of Board Membership**

The Company plans and prepares the Board and Committee meetings schedule in advance. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary. As a process, information to directors is submitted along with the agenda well in advance of Board meetings. Input and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, directors can provide their input and suggestions on various strategic and operational matters. The meeting schedule and agenda are finalized in consultation with the Chairman of the Board and the respective Committee(s).

During the year, all the board meetings were held through video conference as per the provisions of law. The board met five (5) times, complying with the applicable statutory requirements. In addition, an annual Board retreat was held to discuss StratAlign (Strategic Alignment) focusing on segment-wise objectives and target plans for each business (i.e., Automotive (Domestic & International), Industrial and New Energy Business), understanding market trends in comparison with the Company's plans and strategic initiatives, exploring various initiatives and development plans, etc. Details of the attendance of Directors, Board Strength and Number of Directors Present in the Board Meeting are given in Table 4.

A detailed presentation is made covering various highlights and performances of the business at each Board Meeting. The Board reviews the items on the

agenda, particularly quarterly financial results, annual financial statements, annual operating plans and budgets, capital budgets, etc., of the Company and its Wholly Owned Subsidiaries. The compliance reports of laws applicable to the Company and minutes of the Committee meetings are also reviewed/noted by the Board. Other significant details included in the presentation/agenda discussion cover dangerous occurrences, any material effluent or pollution problems, material default in financial obligations, public or product liability claims, related party transactions, borrowings, updates on internal controls, IFCs, information on recruitment and remuneration of key executives below the board level including Chief Financial officer & Company Secretary, Risk analysis of various products, markets and businesses, detailed analysis of potential acquisition targets and possible divestments, details of any joint venture or collaboration agreements, contracts/arrangements in which director(s) are interested, materially important show cause, demand, prosecution and penalty notices, if any.

The important decisions taken by the Board and Committee are communicated to the respective departments to implement the said decisions. Action taken/status reports on decisions/suggestions of the previous meeting(s) are followed up and placed at the next meeting for information and further recommended actions if any. During the year under review, the Board has accepted all the recommendations/submissions from the Committees.

### **Independent Directors Meeting**

For the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the independent directors to have meetings without the presence of the executive management. During the year, our Independent Directors met five (5) times, in sessions without the presence of executive directors and other members of management. The Company is ready to facilitate more such sessions as and when required by the independent directors. During these meetings, the independent directors review the performance of the Company and its senior management, that of the Chairman, Managing Director, Executive Directors, and the Board. Corporate strategy, risks, competition, succession planning for the board and senior management and the quality of information given to the board.



Table 4: Attendance of Directors:

Name of the Director	AGM on August 12, 2023	No. of Board Meeting					Held	Attended	% of attendance of Board Meeting
		May 23, 2023	August 12, 2023	October 31, 2023	January 31, 2024	March 28, 2024			
Jayadev Galla	✓	✓	✓	✓	✓	✓	5	5	100%
Harshavardhana Gourineni	✓	✓	✓	✓	✓	✓	5	5	100%
Vikramadithya Gourineni	✓	✓	✓	✓	✓	✓	5	5	100%
Annush Ramasamy	✓	✓	✓	✓	A	✓	5	4	80%
Bhairavi Tushar Jani	✓	✓	✓	✓	A	✓	5	4	80%
N Sri Vishnu Raju	✓	✓	✓	✓	✓	✓	5	5	100%
T R Narayanaswamy	✓	✓	✓	✓	✓	✓	5	5	100%
% attendance	100	100	100	100	71	100			

#### Attendance of Directors in Meeting of the Board and its Committees

JG		HG		VG		NVR		TRN		AR		BTJ	
BM	100%	BM	100%	BM	100%	BM	100%	BM	100%	BM	80%	BM	80%
SRC	50%	SRC	100%	SRC	100%	AC	100%	AC	100%	AC	100%	AC	80%
CSR	50%					NRC	100%	NRC	100%	NRC	100%	NRC	50%
						RMC	100%	SRC	100%				
						CSR	100%	RMC	100%				
								CSR	100%				

#### Board Induction, Training and Familiarisation

When appointing a Director, a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected of them as a Director/ Independent Director of the Company. They also explained in detail the compliances required from him under the Act, Listing Regulations, Insider Trading Regulations and other relevant regulations on a regular basis.

A handbook covering the role, function, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Act and the relevant Listing Regulations along with Annual Reports, investor presentations, press releases, research reports, Code of Business Conduct, Code of Senior Management, key policies of the Company and the memorandum and articles of association and the brief on Company's board practices.

The newly appointed Independent Directors are given an induction and orientation regarding the Company's Vision, Core Purpose, Core Values, and business operations. In addition, Senior Management Personnel

make detailed presentations on the business environment and performance of the Company at every Board Meeting.

The above initiatives help the Independent Directors understand the Company, its business, and the regulatory framework in which the Company operates and enable them to fulfil their role/responsibility. Please refer to point 31 of the Board's report for web link to the same.

#### Board Retreat

The Company organized Board retreat meeting of three days as part of strategy planning to deliberate on various topics related to StratAlign (Strategic Alignment) focusing on segment-wise objectives and target plans for each business (i.e., Automotive (Domestic & International), Industrial and New Energy Business), understanding market trends in comparison with the Company's plans and strategic initiatives, exploring various opportunities and development plans, etc.

These three days Board Retreat functioned as a platform to the Board members to bring their expertise and to understand detailed aspects of execution and challenges relating to the various business division of the Company.

A detailed presentation was made by the Executive Committee covering key business segments of the Company and its subsidiaries.

The Board retreat was held from March 11, 2024, to March 14, 2024, at Andaman in hybrid mode, where the Board conducted a detailed strategic review of the Company's business segments and discussed various governance related matters. This allowed the Board members to interact closely with the senior leadership of the various business segments of the Company and its subsidiaries

**Board Evaluation**

During the year, the Board has carried out an annual self-evaluation of its performance, the working of its committees and peer evaluation of each director internally. For this purpose, each director provided their feedback involving peer evaluation and feedback on the processes of the Board and its Committees. The contribution and impact of individual members were evaluated on a number of parameters, such as level of engagement, independence of judgment, conflict resolution, contributions to enhance

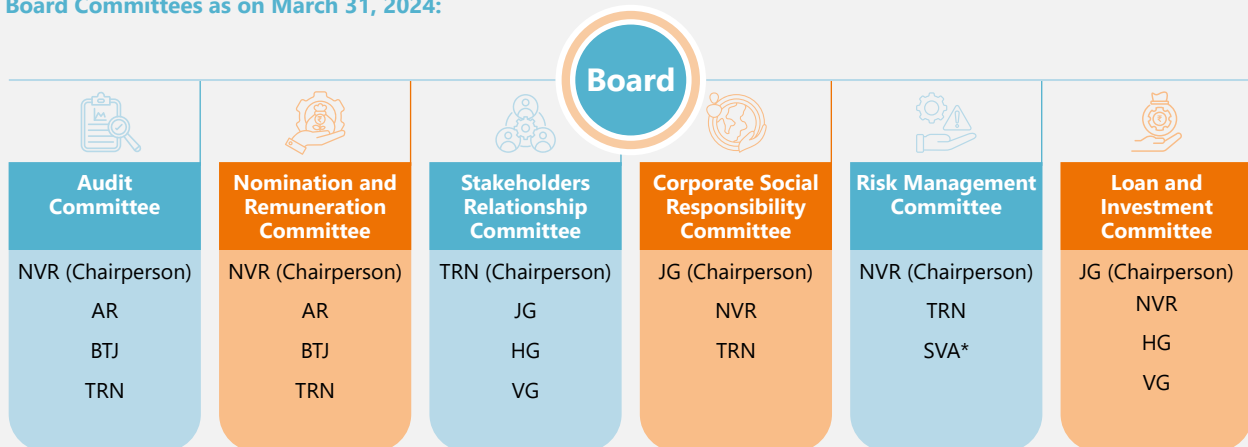
the board's overall effectiveness, etc. Positive attributes and improvement areas for the director were provided to them on a confidential basis.

The Committees were evaluated on various parameters such as effective discharge of their roles, responsibilities and advice given to the board for discharging its fiduciary responsibilities, including adequate and periodical updates to the board on the Committees' functioning.

A separate exercise was carried out to evaluate the performance of Individual Directors, including the Chairman of the Board. The Directors' performance was evaluated on parameters such as level of engagement and contribution to safeguarding the interests of the Company, etc.

The performance evaluation of all the Directors, including the Independent Directors, was carried out by the entire Board. Further, the performance of the Board as a whole and the performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

**Board Committees as on March 31, 2024:**



\*SVA - S Vijayanand (President – New Energy Business)

**3. Audit Committee**

**Responsibilities & Terms of Reference:**

As per the Companies Act, 2013 and Listing Regulations requirements, the board of directors has entrusted the Audit Committee with the responsibility to supervise these processes and ensure adequate, accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The constitution and terms of reference of the Audit Committee are in accordance with and cover all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations, read with Part C of Schedule II of the Listing Regulations.

The primary focus of the Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.

**Brief description of terms of reference of the Audit Committee is as follows:**

- a. Recommendation for appointment, remuneration and terms of appointment of internal auditors, statutory auditors and cost auditors of the company;
- b. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- c. Reviewing, with the management, the quarterly and annual financial statements and auditor's report thereon before submission to the board for approval;



- d. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- e. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- f. Approval or any subsequent modification of transactions of the company with related parties;
- g. Scrutiny of inter-corporate loans and investments;
- h. Valuation of undertakings or assets of the company, wherever it is necessary;
- i. Evaluation of internal financial controls and risk management systems;
- j. Discussion with internal auditors of any significant findings and follow up thereon;
- k. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- l. To review the functioning of the Whistle Blower mechanism as and when adopted by the Company;
- m. To recommend to the Board the policy on materiality of related party transactions and also on dealing with the related party transactions;
- n. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- o. Reviewing the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- p. Such other matters as may be required as per the Act, the rules made thereunder and the Listing Regulations as amended from time to time;
- q. To carry out any other function as may be delegated by the Board from time to time along with minimum information to be reviewed under Schedule II, Part C of Listing Regulations.

### Constitution and meetings of the Committee

The Audit Committee comprises entirely independent directors. All members are financially literate and bring expertise in the fields of finance, economics, logistics, strategy and management.

Audit Committee			
NVR	TRN	AR	BTJ

During the financial year 2023-24, Five (5) meetings of the Audit Committee were held. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings. The Composition of the Committee, details of its Meetings and attendance of the members are provided in Table 5.

The Company Secretary acts as the Secretary to the Audit Committee. The Chief Financial Officer along with the statutory auditors and internal auditors are invitees to the said Committee. The Cost Auditors and Senior Management personnel are invited as and when required.

Mr. N Sri Vishnu Raju, Independent Director and Chairperson of the Audit Committee, was present at the Annual General Meeting of the Company held on August 12, 2023.

### Composition and Attendance:

100% Independence	4 Members	5 Meetings	95% Attendance
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**Table 5: Meetings of the Audit Committee and attendance of members:**

Name of the Director	No. of Audit Committee Meeting					Held	Attended	% of attendance
	1	2	3	4	5			
	May 23, 2023	August 12, 2023	October 31, 2023	January 31, 2024	March 28, 2024			
N Sri Vishnu Raju (Chairperson)	✓	✓	✓	✓	✓	5	5	100
Bhairavi Tushar Jani	✓	✓	✓	A	✓	5	4	80
T R Narayanaswamy	✓	✓	✓	✓	✓	5	5	100
Annush Ramasamy	✓	✓	✓	✓	✓	5	5	100

#### 4. Nomination and Remuneration Committee

##### Responsibilities & Terms of Reference:

The constitution and terms of reference of the Nomination and Remuneration Committee are in accordance with and cover all the matters specified under Section 178 of the Act and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

The Nomination and Remuneration Committee also entirely consists of independent directors. Its primary functions are to:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- To formulate criteria for evaluation of performance of independent directors and the board of directors;
- To devise a policy on diversity of board of directors;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- To consider and recommend to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment

as an independent director shall have the capabilities identified in such description for the purpose of identifying suitable candidates;


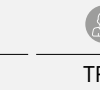

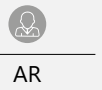
- To recommend to the board, all remuneration, in whatever form, payable to senior management;
- Such other matters as may be required to discharge their responsibilities under the Listing Regulations as amended from time to time.

##### Constitution and meetings of the Committee

The current composition of the Nomination and Remuneration Committee comprises Four (4) Non-Executive Independent Directors and the Committee is empowered with the powers as prescribed under Regulation 19 of Listing Regulations and Section 178 of the Act. The Committee also acts in terms of reference and directions of the Board from time to time.

During the financial year 2023-24, two (2) meetings of the Nomination and Remuneration Committee were held. The Composition of the Committee, details of the Meetings and attendance of the members are provided in Table 6.

The Company Secretary acts as the Secretary to the Committee. Mr. N Sri Vishnu Raju, Independent Director and Chairperson of the Committee was present at the Annual General Meeting of the Company held on August 12, 2023.

Nomination and Remuneration Committee			
			
NVR	TRN	AR	BTJ
Composition and Attendance:			
100% Independence	4 Members	2 Meetings	88% Attendance

**Table 5: Meetings of the Nomination and Remuneration Committee and attendance of members:**

Name of the Director	No. of Nomination Remuneration Committee Meetings		Held	Attended	% of attendance
	1	2			
	May 23, 2023	January 31, 2024			
N Sri Vishnu Raju (Chairperson)	✓	✓	2	2	100%
Bhairavi Tushar Jani	✓	A	2	1	50%
T R Narayanaswamy	✓	✓	2	2	100%
Annush Ramasamy	✓	✓	2	2	100%



## Nomination and Remuneration Policy

The Board of Directors, at its meeting held on March 28, 2015, approved the Nomination and Remuneration Policy. The said policy applies to all the Directors, Key Managerial Personnel, and Senior Management Personnel of the Company and is available on the Company's website. Please refer to point 31 of the Board's Report for the weblink.

### Remuneration to Directors

**i) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company -**

There were no pecuniary transactions with any of the Non - Executive Directors except for Remuneration/ Sitting Fees/ reimbursement of expenses, if any, paid to them as Directors of the Company.

**ii) Criteria of making payments to non-executive directors –**

This is based on the varied roles played by them towards the Company. It is not just restricted to corporate governance or outlook of the Company, but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas. There are no payments made to Non-Executive Directors apart from sitting fee, commission and reimbursements of expenses if any for attending the meetings of the Company.

**iii) Managing Director/Executive Director -**

The remuneration structure of Managing Director/ Executive Director comprises of basic salary, commission, perquisites and allowances, contribution to provident fund etc. The remuneration is determined considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

iv) The Managing Director & Executive Directors are not paid sitting fees for any Board/ Committee meetings attended by them.

v) **Non-Executive Directors** - The Non-Executive Independent Directors are entitled to sitting fees and reimbursement of out-of-pocket expenses for attending the Board/Committee meetings and are also entitled to Commission.

**vi) Criteria for selection and appointment of Directors**

– The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and relevant experience in business. Characteristics expected of all Directors include independence,

integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

In evaluating the suitability of individual Board members, the Committee considers many factors, including one or more skills such as Business experience, Global business / broad international exposure /emerging markets experience, financial experience and risk oversight, technology and innovation, governance and regulatory oversight, sales and marketing exposure possessed by the Director; and geographic, gender, age, and ethnic diversity. The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.

In determining whether to recommend a Director for re-election, the Committee also considers the Director's past attendance at meetings, participation in meetings and contributions to the activities of the Board/Committees, and the results of the most recent evaluation. The Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings as well as the General Meetings of the Company. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities at the Company.

vii) Though, the shareholders have approved payment of commission to Non-Executive Independent Directors upto 1% of net profits of the Company calculated as per the provisions of Sections 197, 198 and all other applicable provisions of the Act and the rules made thereunder for each of the financial years from FY 2018-19 to FY 2023-24, the commission paid to the Non-Executive Independent Directors is usually restricted to a fixed sum, which is within the aforesaid limits. Further, an agenda item pursuant to the provisions of the Act and Listing Regulations is placed at this 39<sup>th</sup> Annual General Meeting, for payment of commission to Non-Executive Independent Directors upto 1% of net profits of the Company for each of the financial years from FY 2024-25 to FY 2028-29.

viii) During the year under review, the directors were paid a sitting fee of ₹ 20,000/-for attending each meeting of the Board and ₹ 10,000/-for attending each meeting of any Committee(s) of the Board.

ix) Performance evaluation criteria for Independent Directors - The sitting fees/commission are reviewed

periodically, taking into consideration various factors such as the Company's performance, the time spent by the directors attending to the company's affairs and business, the extent of directors' responsibilities under general law, and other relevant factors.

x) Details of Remuneration paid to the Directors for the year ended March 31, 2024, are given in table 7:

**Table 7: Remuneration paid or payable to the Directors for FY 2023-24**

(Amount in ₹ Crores)

Name	Salaries	Perquisites and Allowances	Commission*	Sitting Fee*	Total
Mr. Jayadev Galla, Chairman, Managing Director & CEO	2.40	-	60.90	-	63.30
Mr. Harshavardhana Gourineni, Executive Director	1.44	0.01	30.20	-	31.65
Mr. Vikramadithya Gourineni, Executive Director	1.44	0.01	30.20	-	31.65
Mr. Annush Ramasamy, Independent Director	-	-	0.15	0.02	0.17
Ms. Bhairavi Tushar Jani, Independent Director	-	-	0.15	0.01	0.16
Mr. N Sri Vishnu Raju, Independent Director	-	-	0.15	0.02	0.17
Mr. T R Narayanaswamy, Independent Director	-	-	0.15	0.02	0.17

Notes:

- The remuneration and commission paid to the Managing Director and Executive Directors are within the limit as approved by the members under Companies Act, 2013. There are no stock options issued by the Company to them.
- As of March 31, 2024, none of the Independent Directors holds stock options or shares or any convertible instrument of the Company.

## 5. Stakeholders Relationship Committee

### Responsibilities & Terms of Reference:

The Stakeholders' Relationship Committee is empowered to perform the functions of the board relating to the handling of queries and grievances of security holders. It primarily focuses on:

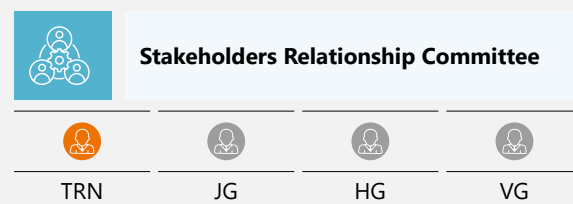
- Review investor complaints and their redressal;
- Review measures are taken for effective exercise of voting rights by shareholders;
- Review work done by the share transfer agent including adherence to the service standards; Review of corporate actions related to security holders;
- Review initiatives for reduction of quantum of unclaimed dividends and ensure timely receipt of dividend/annual report/ statutory notices.

The constitution and terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 20 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

### Constitution and meetings of the Committee

The current composition of the Stakeholders Relationship Committee comprises Four (4) Directors i.e. One (1) Non-Executive Independent Director as Chairperson and three

(3) Executive Directors as Members. The Committee is empowered with the powers as prescribed under Regulation 20 of Listing Regulations. The Committee also acts in terms of reference and directions of the Board from time to time



During the financial year 2023-24, Two (2) meetings of the Stakeholders Relationship Committee were held. The composition of the Stakeholders Relationship Committee, details of the Meetings and attendance of the members are provided in Table 8. During the year, there has been no change in the composition of the Committee.

Mr. Vikas Sabharwal, Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee. Mr. T R Narayanaswamy, Independent Director and Chairperson of the Committee was present at the Annual General Meeting of the Company held on August 12, 2023.

### Composition and Attendance:

Independent Chairperson	4 Members	2 Meetings	88 % Attendance
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Table 8: Meetings of the Stakeholders Relationship Committee and attendance of members:

Name of the Director	No. of Stakeholders Relationship Committee Meetings		Held	Attended	% of attendance
	1	2			
	May 23, 2023	January 31, 2024			
T R Narayanaswamy (Chairperson)	✓	✓	2	2	100%
Jayadev Galla	A	✓	2	1	50%
Harshavardhana Gourineni	✓	✓	2	2	100%
Vikramadithya Gourineni	✓	✓	2	2	100%

During the year 2023-24, nine (9) complaints pertaining to non-receipt of corporate entitlement benefits, IEPF, dividend revalidation, issue of duplicate share certificate, non-receipt of rejected dematerialized documents and transfer of shares were received. All the Complaints were redressed to the satisfaction of the shareholders. There was no complaint pending as on March 31, 2024.

## 6. Risk Management Committee

In compliance with Regulation 21 of the Listing Regulations, the Board had constituted the Risk Management Committee with effect from April 1, 2019. The terms of reference of the Committee cover all the matters specified in said Listing Regulations.

Risk Management Committee		
		
NVR	TRN	SVA

SVA - S Vijayanand (President –New Energy Business)

The Committee is headed by Mr. N Sri Vishnu Raju, Non-Executive Independent Director. The Company Secretary acts as the Secretary to the Committee.

During the year, there has been no change in the composition of the Committee.

The Company has in place an enterprise-wide risk management system. The Risk Management Committee oversees and reviews the risk management framework as well as the assessment of risks, their management and mitigation procedures including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

The Committee reports its findings and observations to the board if any. A section on risk management practices of the Company under the ERM forms a part of the chapter on Management Discussion and Analysis in this annual report.

During the financial year 2023-24, Two (2) meetings of the Risk Management Committee were held. The composition of the Risk Management Committee, details of meetings and the attendance of members are in Table 9.

The maximum gap between 2 consecutive meetings of the Committee did not exceed 180 days.

### Composition and Attendance:

67% Independent	3 Members	2 Meetings	100 % Attendance
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Table 9: Meetings of the Risk Management Committee and attendance of members:

Name of the Director/Member	No. of Risk Management Committee Meetings		Held	Attended	% of attendance
	1	2			
	July 21, 2023	January 5, 2024			
N Sri Vishnu Raju (Chairperson)	✓	✓	2	2	100%
T R Narayanaswamy, Member	✓	✓	2	2	100%
S Vijayanand, Member	✓	✓	2	2	100%

## 7. Corporate Social Responsibility Committee

In compliance with Section 135 of the Act, the Board had constituted the Corporate Social Responsibility Committee. The terms of reference of the Committee covers all the matters specified in Section 135 of the Act. The Committee is headed by Mr. Jayadev Galla, Chairperson. During the financial year 2023-24, Two (2) meetings of the Committee was held. The composition of the Corporate Social Responsibility Committee, details of the meeting and the attendance of members are in Table 10.




Corporate Social Responsibility Committee			
			
JG	NVR	TRN	
<b>Composition and Attendance:</b>			
67% Independence	3 Members	2 Meetings	83 % Attendance

Table 10: Meetings of the Corporate Social Responsibility Committee and attendance of members:

Name of the Director	No. of Corporate Social Responsibility Committee Meetings		Held	Attended	% of attendance
	1	2			
	May 23, 2023	October 31, 2023			
Jayadev Galla (Chairperson)			2	1	50%
N Sri Vishnu Raju			2	2	100%
T R Narayanaswamy			2	2	100%

## 8. Loan and Investment Committee

The Board has constituted a Loan and Investment Committee consisting of Mr. Jayadev Galla, Chairman, Managing Director & CEO, Mr. Harshavardhana Gourineni, Whole Time Director, Mr. Vikramadithya Gourineni, Whole Time Director and Mr. N Sri Vishnu Raju, Non-Executive Independent Director as members of the said Committee to approve the borrowings/ investment decisions of the Company as per the powers entrusted to it and within the limits specified by the Board, from time to time. The Committee is headed by Mr. Jayadev Galla, Chairperson. The Committee meets as and when required and the minutes of the meeting of the Committee are placed before the Board for its noting. No meeting of the said Committee was held during the financial year 2023-24.

## 9. Means of communication

**Quarterly and annual results:** Quarterly and annual results of the company are published in Business Line (all editions) and Andhra Jyothi, and Eenadu (Tirupati and Chittoor District Editions). These are also disseminated and made available on the Company's website: www.

amararajaeandm.com. The financial results were sent, if asked for, to the registered e-mail IDs of members.

### News releases, presentations, audio, transcripts etc.:

The company has established systems and procedures to disseminate relevant information to its stakeholders, including members, analysts, business partners, customers, employees and the society at large. It also participates in earning calls with analysts and investors. The audio and transcripts of such calls are duly uploaded on the website of the company and the stock exchanges.

**Website:** The primary source of information regarding the company's operations is the company's website www. amararajaeandm.com, where all official news releases and presentations made to institutional investors and analysts are posted. It contains a separate dedicated investors section, as required under Regulation 46(2) of the Listing Regulations, where the information for members are available. Webcast of the proceedings of the AGM is also made available on the company's website.

**Annual report:** The company's annual report containing, inter alia, the board's report, additional shareholders'



information, the corporate governance report, the business responsibility and sustainability report, management's discussion and analysis (MD&A), audited standalone and consolidated financial statements, joint statutory auditors' report and other important information are circulated to members and others so entitled. The annual report is also available on the company's website in a user-friendly and downloadable form.

**Reminder to investors:** Reminders to collect unclaimed dividend on shares are sent to the relevant shareholders.

**Designated exclusive Email ID:** We have designated an e-mail ID exclusively for investor services: investorservices@amararaja.com.

**Compliances with stock exchanges:** NSE and BSE maintain separate online portals for electronic submission of information by listed companies. Various communications such as notices, press releases and the regular quarterly, half-yearly and annual compliances and disclosures are filed electronically on these portals.

The Annual General Meeting is the principal forum for face to face communication with shareholders, where the Directors / Senior Management personnel / Auditors / CFO respond to the specific queries of the shareholders.

**Register to receive electronic communications:** We provide an option to the members to register their e-mail ID through the RTA to receive electronic communications. Members who wish to receive electronic communications may register with the RTA.

**Disclosures:** We have a policy on the determination of materiality for disclosure of certain events. Please refer point 31 of Board's report for weblink of the same.

Details of communications made during the year are produced in Table 11.

**Table 11: Details of Communications made during FY24**

Means of Communication	Number
Earnings Call	4
Publication of results	4
Press Release/Media Release	6

## 10. Other Disclosures

### i. Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, the guidelines

issued by SEBI and other accounting principles generally accepted in India.

### ii. Management discussion and analysis:

The chapter on Management Discussion and Analysis forms an integral part of this annual report.

### iii. Code of Conduct

The Board had approved a code of conduct in compliance with the Listing Regulations. The said code is applicable to all the Directors and the Senior Management Personnel of the Company and the same is available on Company's website i.e. www.amararajaeandm.com. All the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the code of conduct for the financial year ended March 31, 2024. In terms of Schedule V to the Listing Regulations, a declaration signed by the Chairman, Managing Director & CEO is enclosed in this report as **Annexure A**.

### iv. Compliance(s) of matters relating to Capital Market

The Company has complied with all applicable rules and Listing Regulations prescribed by stock exchanges (NSE/BSE), SEBI or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed on the Company in the last 3 years on any matters related to capital markets.

### v. Whistle Blower Policy/Vigil Mechanism

No person has been denied access to Audit Committee and the said policy has been posted on the Company's website. Please refer point 31 of Board's report for weblink of the same.

### vi. Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for the prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Necessary procedures have been laid down for directors, officers, designated persons and their relatives for trading in the securities of the company. These are periodically communicated to such employees who are considered insiders of the company. Apart from this, regular insider trading awareness mails are conducted for the benefit of designated persons. Trading window closure/blackouts/ quiet periods, when the directors and designated persons are not permitted to trade in the

securities of the company, are intimated in advance to all concerned. Violations of the policy, if any are appropriately acted on and reported to the SEBI/SEs. The company also maintains a structured digital database, as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and also implemented an online application for approving pre-clearances to designated persons, who intend to trade in the securities of the Company.

The Company Secretary was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code. Reports on matters related to insider trading code are reported to the Audit Committee on a quarterly basis.

**vii. Disclosure of commodity price risks and hedging activities**

As the Company is not engaged in a commodity business, commodity risk is not applicable. The foreign exchange risk is being managed/hedged to the extent considered necessary.

**viii. Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).**

During the financial year 2023-24, the Company has not raised any funds through preferential allotment or qualified institutions placement.

**ix. Internal Financial Controls with reference to Financial Statements**

The Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of the Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems, processes, and procedures are periodically reviewed and appropriately revised to strengthen them to mitigate emerging risks associated with the growing size and complexity of the Company's operations.

**x. CEO & CFO Certification**

A certificate of the CEO and CFO of the company on financial statements and applicable internal controls as stipulated under Regulation 17(8) of the Listing Regulations, is enclosed as **Annexure-B** to this report.

**xi. Agreements with Media:** The Company has not entered into any agreement with any media company and/or its associates.

**xii. Certificate from a Company Secretary in Practice with regard to disqualification of directors**

A certificate from M/s. R Sridharan & Associates, Company Secretary in Practice certifying that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority and certificate is annexed to this report as **Annexure C**.

**xiii. Details of recommendation of any Committee of the Board which are not accepted by the Board**

The Board of directors accepted all the recommendation(s) of the Committees of the Board during financial year ended March 31, 2024.

**xiv. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part for the financial year ended March 31, 2024, are provided in Table 12.**

**Table 12: Details of Audit Fee**

Particulars	₹. crores	
	FY 2023-24	
Statutory Audit Fees	1.33	
Limited Review Fees	0.20	
Tax Audit Fees	0.09	
Reimbursement of Expenses	0.06	
Certification Fees	0.05	

**xv. During the year under review, no Loans and advances in the nature of loans to firms/companies in which directors are interested (other than wholly owned subsidiaries) were given by the Company and its subsidiaries.**

**xvi. During the year there were nil complaints received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

**xvii. During the year under review, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. All related party transactions entered into by the Company are approved by the Audit Committee and prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and are repetitive in nature.**

**xviii. As required under the Indian Accounting Standards, related party transactions are disclosed in Notes to**



the Company's financial statements for the financial year ended March 31, 2024.

- xix. During the year under review, the Company has no material subsidiary.
- xx. Particulars of Senior Management Personnel - The particulars of Senior Management Personnel is given under 'Our Leadership Team', forming part of this Annual Report. Further, there were no changes in Senior Management Personnel, during the year under review.
- xxi. The Company has complied with the requirements of sub-para (2) to (10) of Schedule V of the Listing Regulations.

## 11. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with the mandatory requirements of the Corporate Governance as per Listing Regulations during the year.

With regard to the non-mandatory requirements the Company has complied to the extent stated below:

**Shareholder rights:** Quarterly financial results are published in leading newspapers, viz. The Business Line and vernacular – Eenadu, and Andhra Jyothi. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.

**Modified opinion(s) in Annual Report:** The financial statements for the financial year ended March 31, 2024, were with unmodified audit opinion.

**Other Non-Mandatory Requirements:** At present, other discretionary requirements have not been adopted by the Company.

## 12. Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

The Company has complied with all the relevant corporate governance requirements stipulated in the Listing Regulations.

- 13. During the year under review, the Company had not raised any money from public issue, rights issue, preferential issue or any other issues.

## 14. Compliance with Corporate Governance

The quarterly compliance report has been submitted to the stock exchanges where the Company's equity shares are listed in the requisite format duly signed by the Company Secretary. Pursuant to Schedule V of the Listing Regulations, the Practicing Company Secretary's Certificate regarding compliance with conditions of Corporate Governance is annexed to this report as **Annexure D**.

## 15. Additional Shareholders' Information

The chapter on Additional Shareholders' Information is annexed to this report as **Annexure E**.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: May 28, 2024

**Jayadev Galla**  
Chairman, Managing Director & CEO  
DIN: 00143610

# Declaration on Code of Conduct

This is to confirm that the Board has laid down a code of conduct for all the Board Members and Senior Management Personnel of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2024, as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: May 28, 2024

**Jayadev Galla**  
Chairman, Managing Director & CEO  
DIN: 00143610



## Annexure B

CO

Statutory Report



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## CEO and CFO Certificate to the Board pursuant to Regulation 17 (8) of the Listing Regulations

We, Jayadev Galla, Managing Director & Chief Executive Officer and Delli Babu Y, Chief Financial Officer to the best of our knowledge and belief, hereby certify that:

- A. We have reviewed the financial statements including the cash flow statement (standalone and consolidated) for the financial year ended March 31, 2024, and these statements:
  - i. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - ii. together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- B. There are no transactions entered into by the company during the year, which are fraudulent, illegal or violate the company's code of business conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- D. We have disclosed, wherever applicable, to the auditors and the audit committee:
  - i. that there are no significant changes in internal control over financial reporting during the year;
  - ii. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  - iii. that there are no instances of significant fraud of which we have become aware of and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

### Jayadev Galla

Chairman, Managing Director & CEO  
DIN: 00143610

New Delhi, May 28, 2024

### Delli Babu Y

Chief Financial Officer

Hyderabad, May 28, 2024

# Certificate Of Non-Disqualification Of Directors

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members

## AMARA RAJA ENERGY & MOBILITY LIMITED

CIN: L31402AP1985PLC005305

Renigunta- Cuddapah Road,  
Karakambadi, Tirupati,  
Andhra Pradesh- 517520

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited), (CIN: L31402AP1985PLC005305)** having its Registered Office at Renigunta- Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520 (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority.

S. No.	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	00143610	Jayadev Galla	Executive Director, Chairman, CEO and Managing Director	12/03/1994
2.	07311410	Harshavardhana Gourineni	Executive Director	12/06/2021
3.	03167659	Gourineni Vikramadithya	Executive Director	12/06/2021
4.	00025063	Sri Vishnu Raju Nandyala	Non-Executive-Independent Director	14/08/2008
5.	01143563	T R Narayanaswamy	Non-Executive-Independent Director	01/06/2009
6.	00185929	Bhairavi Tushar Jani	Non-Executive Independent Director	28/03/2015
7.	01810872	Annush Ramasamy	Non-Executive- Independent Director	12/06/2021

Ensuring the eligibility of, for the appointment/ continuity of, every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **R. SRIDHARAN & ASSOCIATES**  
**COMPANY SECRETARIES**

**CS R.SRIDHARAN**

CP No. 3239

FCS No. 4775

PR No.657/2020

UIN:S2003TN063400

UDIN: F004775F000417761

Place: Chennai

Date : 28<sup>th</sup> May, 2024



# Corporate Governance Certificate

The Members

## AMARA RAJA ENERGY & MOBILITY LIMITED

Renigunta Cuddapah Road,  
Karakambadi,  
Tirupati – 517520.

We have examined, documents, books, papers, minutes, forms and returns filed and other relevant records maintained by AMARA RAJA ENERGY & MOBILITY LIMITED (formerly known as Amara Raja Batteries Limited), (CIN: L31402AP1985PLC005305) [hereinafter referred to as “the Company”] having its Registered Office at Renigunta Cuddapah Road, Karakambadi, Tirupati – 517520, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called “SEBI (LODR) Regulations 2015”) for the financial year ended 31<sup>st</sup> March, 2024. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

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

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations 2015 as amended for the financial year ended 31<sup>st</sup> March, 2024.

This Certificate 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.

For **R. SRIDHARAN & ASSOCIATES**  
**COMPANY SECRETARIES**

**CS R.SRIDHARAN**

FCS No. 4775

CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775F000417748

Place: Chennai

Date: May 28, 2024

# Additional Shareholders' Information

## 1. General Information to Shareholders

<b>Name of the Company</b>	<b>Amara Raja Energy &amp; Mobility Limited (Formerly known as Amara Raja Batteries Limited)</b>	
<b>Address</b>	<b>Registered Office:</b>	Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520 Tel: 91 877 226 5000; Fax: 91 877 228 5600
	<b>Corporate Office</b> (Correspondence Address for Shareholders):	Terminal A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad, Telangana - 500 032 Tel: 91 40 2313 9000; Fax: 91 40 2313 9001
<b>Corporate Identification Number (CIN)</b>	L31402AP1985PLC005305	
<b>Website</b>	<a href="http://www.amararajaeandm.com">www.amararajaeandm.com</a>	
<b>E-Mail ID</b>	investorservices@amararaja.com Mr. Vikas Sabharwal,	
<b>Compliance Officer</b>	Company Secretary and Compliance Officer Tel: 91 40 2313 9000; Fax: 91 40 2313 9001; E-mail ID : vsl@amararaja.com Nodal Officer: Mr. Vikas Sabharwal, Company Secretary and Compliance Officer, E-mail ID : <a href="mailto:vsl@amararaja.com">vsl@amararaja.com</a>	
<b>IEPF Nodal Officers</b>	Deputy Nodal Officer: Mr. Naresh Miryala, Deputy Company Secretary, E-mail ID: <a href="mailto:nkm2@amararaja.com">nkm2@amararaja.com</a>	
<b>Details of 39<sup>th</sup> Annual General Meeting</b>	<b>Date of Meeting</b>	<b>Saturday, August 3, 2024</b>
	<b>Time of Meeting</b>	<b>From 3.00 p.m. IST onwards</b>
	<b>Place of Meeting</b>	<b>Deemed Venue - Registered office of the Company</b>
	<b>Mode of Meeting</b>	<b>Through OAVM (e-Mode)</b>
<b>E-Voting Dates</b>	Cut-off (for determining shareholders eligible for e-voting) :	July 27, 2024
	<b>E-Voting Start Date</b>	July 31, 2024
	<b>E-Voting End Date</b>	August 2, 2024
<b>Book Closure Dates</b>	The dates of book closure are from July 19, 2024 to July 25, 2024 (both days inclusive) for the purpose of payment of the final dividend for FY 2023-24.	
<b>Listing Details and Listing Fee</b>	National Stock Exchange of India Limited (NSE)	ARE&M
	BSE Limited (BSE)	500008
<b>International Securities Identification Number (ISIN)</b>	The listing fees for the listing of equity shares of the Company have been paid for FY 2023-24 & FY 2024-25 to both NSE and BSE. During the year under review, the symbol/ Scrip ID of the Company changed to ARE&M from AMARAJABAT. INE885A01032 (ISIN number for equity shares of ₹ 1/- each) ISIN is a unique identification number of a traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the company.	



<b>Registrar and Share Transfer Agent (RTA)</b>	For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address:	
	Unit	Amara Raja Energy & Mobility Limited
	Name of the RTA	Cameo Corporate Services Limited;
	Contact person	Mr. P. Muralidharan, Joint Manager
	Address :	Subramanian Building.No. 1, Club House Road, Chennai- 600 002,Tamil Nadu,India
	Tel	044-4002 0700; Fax:91 44 28460129; email ID : investor@cameoindia.com
Portal	<a href="https://wisdom.cameoindia.com">https://wisdom.cameoindia.com</a> ; Website : <a href="http://www.cameoindia.com">www.cameoindia.com</a>	
<b>Credit Ratings</b>	Name of the Rating Agency	CRISIL
	Long Term Rating	CRISIL AA+/Stable (Reaffirmed)
	Short Term Rating	CRISIL A1+ (Reaffirmed)
No other debt instruments or any fixed deposit program or any scheme or proposal for mobilization of funds were issued or undertaken by the Company during the financial year		
<b>Dividend Details for FY 2023-24</b>	<b>Final Dividend for FY 2023-24</b>	
	Rate	₹ 5.10/- per equity share of ₹ 1 each (510 %)
	Date of Approval	Subject to the approval of Members at 39 <sup>th</sup> Annual General Meeting
	Divided payment Date	On or before September 1, 2024
	<b>Interim Dividend for FY 2023-24</b>	
	Rate	₹ 4.80/- per equity share of ₹ 1 each (480%)
Date of Approval	October 31, 2023	
Divided payment Date	November 24, 2023	
<b>Outstanding GDRs/ ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity</b>	The Company has not issued any GDR/ ADR/Warrants and convertible instruments.	
<b>Nomination Facility</b>	Section 72 of the Act provides the facility of nomination to share / debenture / deposit holders. The facility is mainly useful for all those holding the shares / debentures / deposits in single name. In cases where the securities / deposits are held in joint names, the nomination will be effective only in the event of the death of all the holders. Shareholders are advised to avail of this facility, especially investors holding securities in single name. Shareholders are requested to note that SEBI has mandated registration of nomination or opt out of nomination for all shareholders of the Company either holding shares in physical mode or demat mode along with valid PAN and KYC details. Shareholders holding shares in physical mode are requested to refer notes to the Notice and submit the prescribed forms along with requisite documents to RTA regarding mandatory submission of Nomination Valid PAN, and KYC details on or before September 30, 2024. Shareholders holding shares in demat mode are requested to submit the necessary forms to their respectively depository participant regarding mandatory submission of Nomination Valid PAN, and KYC details on or before September 30, 2024.	
<b>Shareholders Forms</b>	Forms for shareholders holding physical shares can be downloaded from <a href="https://www.amararajaeandm.com/Investors/downloads">https://www.amararajaeandm.com/Investors/downloads</a>	
<b>Questions prior to AGM</b>	Members seeking any information or asking questions with regard to the financial statements of the Company or on any matter in the annual report 2023-24, are requested to write from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at <a href="mailto:investorservices@amararaja.com">investorservices@amararaja.com</a> on or before <b>Monday, July 29, 2024</b> (5:00 P.M.) IST. Such information sought or questions by the members shall be furnished or replied by the Company suitably.	
<b>National electronic Clearing service (NECS) Facility for remittance of Dividend electronically</b>	The Company provides the facility for the remittance of dividends to shareholders through NECS. Under this facility, shareholders can receive dividends electronically by way of direct credit to their bank account. With this service, problems such as loss of dividend warrants during postal transit/fraudulent encashment are avoided. This also expedites the credit of dividends directly to the shareholder's account as compared to the payment through a physical dividend warrant. Shareholders are advised to write to RTA or Company for any further details on how to avail of this facility.	

<b>Plant Locations</b>	<b>(a) 4 Wheeler Battery Plant 1</b>	Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520
	<b>(b) LVRLA Battery Plant:</b>	Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520
	<b>(c) 2 Wheeler Battery Plant</b>	Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520
	<b>(d) 4 Wheeler Battery Plant 2 &amp; 3</b>	Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh - 517 416
	<b>(e) MVRLA Battery Plant:</b>	Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh - 517 416
	<b>(f) 2 Wheeler Battery Plant:</b>	Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh - 517 416
	<b>(g) Plastic Components Plant</b>	Renigunta - Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520
	<b>(h) Plastic Components Plant</b>	Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh- 517 416

## 2. Last three Annual General Meeting(s)

The details of date/time and venue and special resolution passed at the last three Annual General Meetings are given below:

For the Financial year	Venue	Day, date and time	Special Resolution(s)
2022-23	Through Video Conferencing / Other Audio-Visual Means (Deemed venue of the meeting: Renigunta-Cuddapah Road, Karakambadi Tirupati, Andhra Pradesh – 517 520)	Saturday, August 12, 2023 at 03.00 P.M. IST	Special Resolution was passed to approve change in the name of the Company from 'Amara Raja Batteries Limited' to 'Amara Raja Energy & Mobility Limited'
2021-22	Through Video Conferencing/ Other Audio-Visual Means (Deemed venue of the meeting: Renigunta-Cuddapah Road, Karakambadi Tirupati, Andhra Pradesh – 517 520)	Saturday, August 6, 2022 at 02:30 P.M. IST	No Special Resolution was passed at this meeting.
2020-21	Through Video Conferencing/ Other Audio-Visual Means (Deemed venue of the meeting: Renigunta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520)	Saturday, August 14, 2021 at 3:00 P.M. IST	<ul style="list-style-type: none"> <li>Special Resolution was passed to approve the appointment of Mr. Harshavardhana Gourineni (DIN: 07311410) as an Executive Director and fix his remuneration</li> <li>Special Resolution was passed to approve the appointment of Mr. Vikramadithya Gourineni (DIN: 03167659) as an Executive Director and fix his remuneration</li> <li>Special Resolution was passed to amend the main objects clause of the Memorandum of Association of the Company</li> </ul>

### Items for approval of shareholders at the 39<sup>th</sup> Annual General Meeting:

- Special Resolution for appointment of Dr. Amar Patnaik (DIN: 08602154) as an Independent Director of the Company for a period of 5 years.
- Special Resolution for approval of payment of commission to Non-Executive Directors of the Company for financial years 2024-25 to 2028-29.



3. **Postal Ballot during the year:** During the year under review, no resolution was passed through postal ballot and there is no proposal to conduct a postal ballot for any matter in the ensuing annual general meeting.

#### 4. Financial Calendar

##### The tentative calendar for the declaration of financial results of FY 2024-25

For the quarter ending June 30, 2024	On or before second week of August 2024
For the half year ending September 30, 2024	On or before Second week of November 2024
For the quarter and nine months ending December 31, 2024	On or before Second week of February 2025
For the quarter and year ending March 31, 2025	On or before Fourth week of May 2025
Annual General Meeting for FY 2024-25	On or before Second week of August 2025

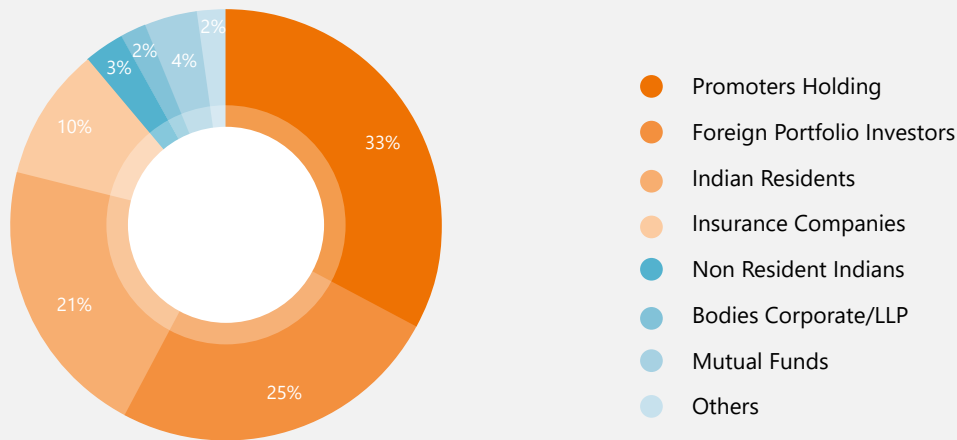
#### 5. Shareholding pattern as on March 31, 2024

The shareholding pattern classified on the basis of category and distribution of ownership respectively is given below:

##### a. Distribution of shareholding on basis of category:

Category	As on March 31, 2024		As on March 31, 2023		% change
	No. of Shares held	%	No. of Shares held	%	
<b>Promoters holding</b>					
Individuals	-	-	-	-	-
Companies	60,145,316	32.86	47,932,452	28.06	4.80
<b>Sub Total</b>	<b>60,145,316</b>	<b>32.86</b>	<b>47,932,452</b>	<b>28.06</b>	<b>4.80</b>
<b>Institutions (Domestic)</b>					
Alternate Investment Funds	984,777	0.54	216,142	0.13	0.41
Banks/ Financial Institutions	4,504	0.00	3,004	0.00	0.00
Insurance Companies	18,974,288	10.37	13,347,450	7.81	2.55
Mutual Funds	8,137,225	4.45	2,163,893	1.27	3.18
<b>Sub Total</b>	<b>28,100,794</b>	<b>15.35</b>	<b>5,730,489</b>	<b>9.21</b>	<b>6.14</b>
<b>Institutions (Foreign)</b>					
<b>Foreign Direct Investments</b>	0	0.00	23,913,750	14.00	-14.00
<b>Foreign Portfolio Investors Category - I</b>	42,877,848	23.43	36,773,518	21.53	1.90
<b>Foreign Portfolio Investors Category - II</b>	1,878,711	1.03	1,133,476	0.66	0.36
Foreign Institutional Investors	1,500	0.00	1,500	0.00	0.00
<b>Sub Total</b>	<b>44,758,059</b>	<b>24.45</b>	<b>61,822,244</b>	<b>36.19</b>	<b>-11.74</b>
<b>Non Institutions</b>					
Bodies Corporate	3,881,053	2.12	2,456,410	1.44	0.68
LLP	102,882	0.06	-	0.00	0.06
Clearing members	875	0.00	7,316	0.00	0.00
Foreign Nationals	35	0.00	35	0.00	0.00
Foreign Portfolio Investor (Individual) Category III	300	0.00	300	0.00	0.00
Hindu Undivided Family	998,674	0.55	888,706	0.52	0.03
Indian Residents	39,040,763	21.33	36,036,377	21.10	0.23
Investor Education Provident Fund	709,668	0.39	697,952	0.41	-0.02
Non Resident Indians	5,239,737	2.86	5,186,071	3.04	-0.17
Trusts	2,958	0.00	2,398	0.00	0.00
Unclaimed Suspense account	44,250	0.02	51,750	0.03	-0.01
<b>Sub Total</b>	<b>50,021,195</b>	<b>27.33</b>	<b>45,327,315</b>	<b>26.54</b>	<b>0.79</b>
<b>Total</b>	<b>183,025,364</b>	<b>100.00</b>	<b>170,812,500</b>	<b>100.00</b>	<b>0.00</b>

**Category wise Shareholding as on March 31, 2024**



**b. Distribution of shareholding on basis of ownership as on March 31, 2024:**

No. of shares held	No. of shareholders	% to no. of shareholders	No. of shares held	% to total shares
1-100	508,329	90.15	112,32,895	6.14
101-500	45,369	8.05	96,71,179	5.28
501-1000	5259	0.93	39,32,874	2.15
1001-2000	2751	0.49	40,13,256	2.19
2001-3000	828	0.14	21,87,543	1.19
3001-4000	286	0.05	10,06,779	0.55
4001-5000	254	0.05	11,70,748	0.64
5001-10000	379	0.07	26,73,235	1.46
10001- and Above	416	0.07	14,71,36,855	80.40
<b>Total</b>	<b>563,871</b>	<b>100.00</b>	<b>18,30,25,364</b>	<b>100.00</b>

**6. Name of the persons (non-promoters) who are top 10 shareholders of the Company as on March 31, 2024**

**List of top 10 shareholders as on March 31, 2024**

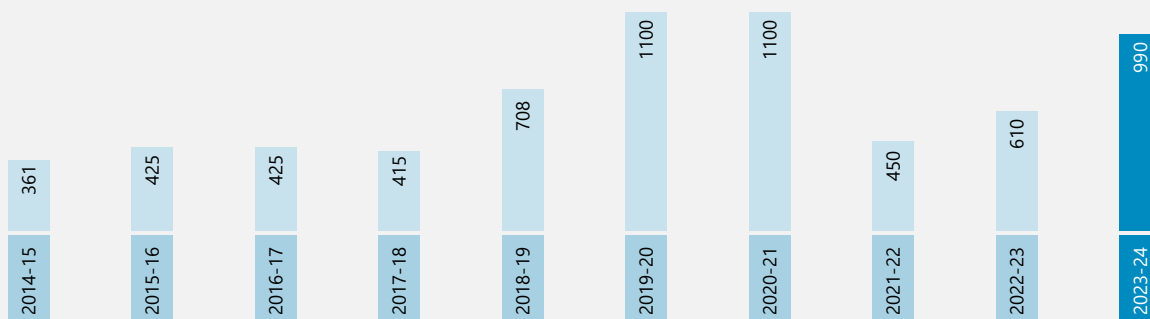
Nalanda India Equity Fund Limited	9.22
Life Insurance Corporation of India	6.75
Tata Aia Life Insurance Co Ltd	2.81
Kotak Emerging Equity Scheme	1.42
Nippon Life India Trustee Ltd-A/C Nippon India Multi Cap Fund	1.05
Pinebridge Global Funds - Pinebridge India Equity Fund	1.04
Government Pension Fund Global	1.03
Tata Mutual Fund- Tata Equity P/E Fund	0.94
Pinebridge Asia Ex Japan Small Cap Equity Fund	0.99
Vanguard Total International Stock Index Fund	0.91



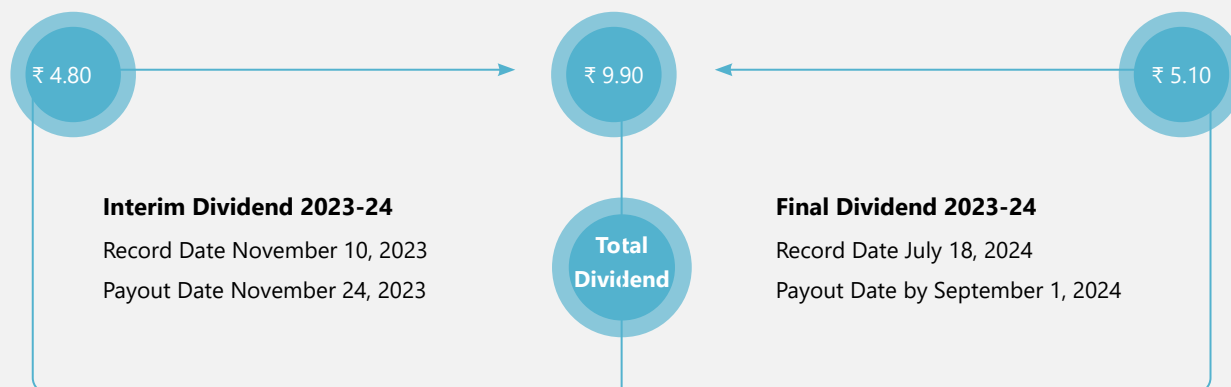
## 7. Dividend History

The following graph shows the dividend history of the company from FY 2014-15 to FY 2023-24. This chart is including of the proposed final dividend of ₹ 5.10/- (510%) per equity share, for the financial year 2023-24.

**Dividend History from FY 2014-15 to FY 2023-24 (%)**



**Dividend Fiscal 2023-24**



## 8. Share certificates with face value of ₹ 10 and ₹ 2 are no longer valid

During the year 2007-08, the Company sub-divided the face value of its equity shares of ₹ 10 to ₹ 2 and further during the year 2012-13, the Company further sub-divided the face value of its equity shares from ₹ 2 to ₹ 1. Hence, the old share certificates with face value of ₹ 10 and ₹ 2 are no longer valid.

The Shareholders who are still holding the share with face value of ₹ 10 and ₹ 2, are requested to submit those share certificates along with their demat account details including client master list, either to the company or to the RTA. On receipt and subject to verification of these share certificate(s) and submission of additional documents as may be required, the shares will get credited to the demat account of the shareholders or will inform the shareholders the process to claim the shares from Investor Education and Protection Fund Authority (IEPFA), in case the shares were transferred to IEPFA.

Shareholders holding physical shares certificates in the old name of the Company i.e., Amara Raja Batteries Limited,

are requested to send their share certificates to the RTA to get stickers affixed in the new name of the Company i.e., Amara Raja Energy & Mobility Limited.

## 9. Share Transfer System

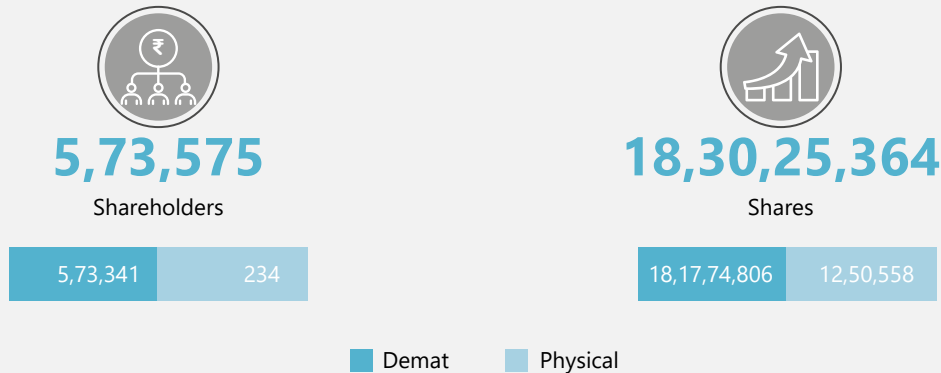
As per amended Regulation 39 and 40 of Listing Regulations, the Company shall issue securities in dematerialized form only while processing any requests from shareholders holding shares in physical mode in respect of i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub-division / Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission and viii. Transposition ("service requests").

Shareholders holding shares in physical mode are requested to refer the Notice of AGM for details regarding service requests. All queries and requests relating to service requests shall addressed to RTA in prescribed form along with requisite documents.

## 10. Dematerialization

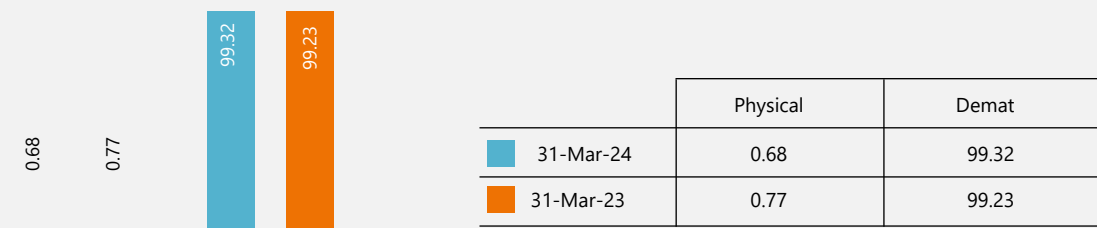
To facilitate easy access of the dematerialized system to the investors, the Company have signed up with both the depositories in India.

NSDL and CDSL and have established connectivity with the depositories through our RTA. The dematerialization of shares is done through RTA and the dematerialization process is completed within 21 days from the date of receipt of a valid dematerialization request along with the relevant documents.



The following Chart gives the breakup of dematerialized shares and shares in physical form as on March 31, 2024 compared with March 31, 2023:

### Shares held in demat and physical form as on March 31, 2024 and March 31, 2023 (%)



## 11. Transfer of unclaimed dividend and underlying shares to Investor Education and Protection Fund (IEPF)

During the year under review, in terms of Section 124 (5) of the Act, an amount of ₹ 46,70,138/- being unclaimed final dividend pertaining to the financial year 2015-16 was transferred to IEPF on May 3, 2023.

Further, during the year under review, the Company after sending individual notices to the last available address of the shareholders whose shares are required to be transferred to the demat account of IEPF Authority and publication of notice in the newspapers, transferred 17,716 equity shares of ₹1/- each to the demat account of IEPF. The IEPF had settled applications pertaining to 6,000 shares to respective shareholders and IEPF holds 709,668 shares as on March 31, 2024 on account of transfer of shares under the IEPF Rules.



Members who have not yet encashed their final dividend from the financial year 2016-17 onwards are requested to make their claims without any delay to M/s. Cameo Corporate Services Limited, Registrar and Share Transfer Agent of the Company for claiming the unclaimed/unpaid dividends. The following table gives information relating to due dates for transfer of unclaimed/unpaid dividends to IEPF.

Financial Year	Type of Dividend	Date of Declaration	Unclaimed dividend as on March 31, 2024 (₹)	Due Date of Transfer to IEPF
2016-17	Final	Aug 07, 2017	48,57,133.75	Sep 12, 2024
2017-18	Interim	Nov 09, 2017	22,49,908.00	Dec 15, 2024
2017-18	Final	Aug 11, 2018	10,41,050.90	Sep 16, 2025
2018-19	Interim	Nov 9, 2018	30,80,460.00	Dec 15, 2025
2018-19	Final	Jul 20, 2019	19,69,719.20	Aug 25, 2026
2019-20	I Interim	Nov 9, 2019	24,19,572.00	Dec 15, 2026
2019-20	II Interim	Mar 9, 2020	22,68,050.00	Apr 14, 2027
2020-21	Interim	Feb 13, 2021	17,64,538.00	Mar 21, 2028
2020-21	Final	Aug 14, 2021	23,93,433.00	Sep 13, 2028
2021-22	Interim	Nov 12, 2021	15,71,579.00	Dec 11, 2028
2021-22	Final	Aug 6, 2022	248,558.00	Sep 4, 2029
2022-23	Interim	Nov 3, 2022	13,49,196.80	Dec 2, 2029
2022-23	Final	Aug 12, 2023	14,38,515.40	Aug 11, 2030
2023-24	Interim	Oct 31, 2023	22,54,197.00	Oct 30, 2030
<b>Total amount of unclaimed dividend as on March 31, 2024</b>			<b>289,05,911.05</b>	

As required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules) the Company uploaded on the Company's website [www.amararajaeandm.com](http://www.amararajaeandm.com) the particulars of unclaimed dividend as on March 31, 2024, with information containing the names, addresses of the person entitled to receive the amount, nature of amount, due date for transfer to IEPF and such other information as required by the IEPF Rules. The same is also available on the IEPF's website [www.iepf.gov.in](http://www.iepf.gov.in)

All shareholders, whose dividend remains unpaid/ unclaimed, are requested to refer the same on the Company's website or on [www.iepf.gov.in](http://www.iepf.gov.in) and lodge their claim to RTA by submitting an application in writing and supported by a deed of indemnity immediately.

All shareholders whose shares, unclaimed dividend, etc., has been transferred to IEPF, are requested to claim the same from the IEPF Authority by submitting an online application in Form IEPF-5 available on the website of Investor Education and Protection Fund at [www.iepf.gov.in/IEPFA/refund.html](http://www.iepf.gov.in/IEPFA/refund.html)

## 12. Disclosures with respect to Unclaimed Suspense account:

**The following is the reconciliation of the unclaimed shares in the Unclaimed Suspense Account of the Company.**

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of equity shareholders and the outstanding shares of ₹1/- each in the suspense account lying as on April 1, 2023	21	51,750
Number of equity shareholders who approached the Company for transfer of shares of ₹ 1/- each from the suspense account	2	7,500
Number of equity shareholders to whom shares were transferred from suspense account during the year	1	3,000
Number of equity shareholders whose shares were transferred to Investor Education and Protection Fund (IEPF) during the year	1	4,500
Aggregate number of equity shareholders and the outstanding shares of ₹ 1/- each in the suspense account lying as on March 31, 2024	19	44,250

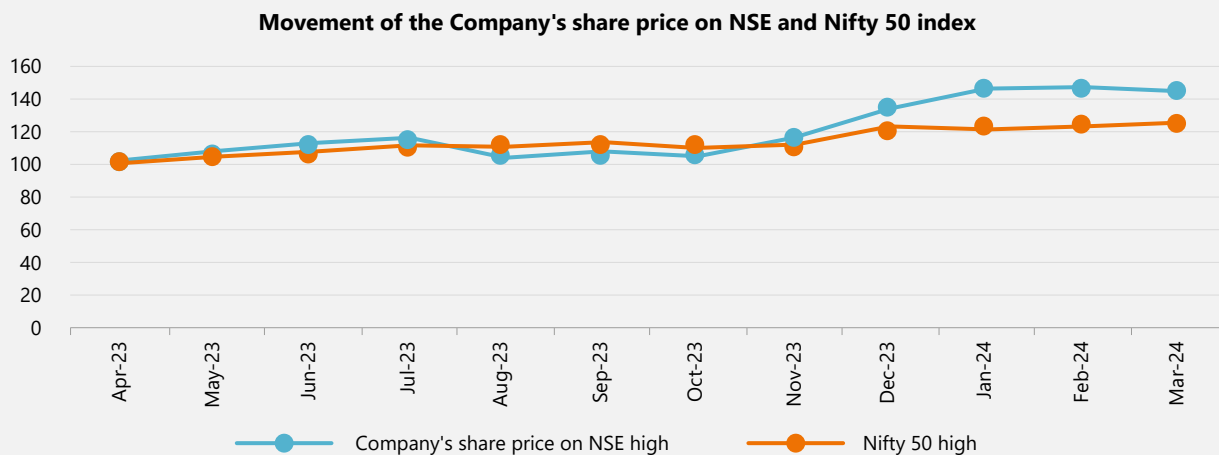
All corporate benefits that accrue on these shares such as bonus shares, split, etc., shall also be credited to the Unclaimed Suspense account. The voting rights on the shares outstanding in the Suspense account shall remain frozen till a claim from the rightful owner of such shares is received.

### 13. Stock Data

High, Low prices (based on WAP) of the Company's shares traded on NSE and BSE and performance of Nifty 50 and BSE Sensex during the period from April 1, 2023, to March 31, 2024, are furnished below:

Particulars	NSE		Nifty 50		BSE		S&P BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2023	612.80	570.70	18,065.00	17,398.05	612.65	570.30	61112.44	59106.44
May 2023	649.00	593.10	18,633.85	18,069.00	648.55	592.75	62969.13	61054.29
June 2023	681.20	614.45	19,189.05	18,487.75	681.35	614.65	64718.56	62428.54
July 2023	703.35	612.30	19,979.15	19,322.55	703.55	611.95	67571.90	65205.05
August 2023	641.45	613.50	19,733.55	19,253.80	641.55	612.85	66459.31	64831.41
September 2023	661.20	624.85	20,192.35	19,435.30	661.15	624.90	67838.63	65387.16
October 2023	648.70	604.15	19,811.50	18,857.25	648.85	604.85	66473.05	63148.15
November 2023	710.05	617.90	20,133.15	18,989.15	709.60	618.00	66988.44	63591.33
December 2023	820.45	743.80	21,778.70	20,267.90	819.90	742.85	72410.38	67481.19
January 2024	889.05	790.05	22,097.45	21,238.80	887.95	790.10	73327.94	70370.55
February 2024	895.30	834.10	22,217.45	21,616.05	892.00	834.10	73158.24	71072.49
March 2024	881.70	748.35	22,493.55	21,817.45	884.20	747.60	74119.39	72012.05

Performance of the Company's share price vis-à-vis-Nifty 50 A comparative line chart showing performance of share price (WAP high) of the Company on NSE with NSE Nifty 50 (closing high) during the financial year 2023-24.



**14. Nomination Facility:** Shareholders holding physical shares may, if they so desire, send their nominations in form SH-13 of the Companies (Share Capital and Debentures) Rules, 2015, as amended, to the RTA of the Company. Further, shareholders may cancel/ vary their nomination already made, in form SH-14 by sending it to the RTA. Those holding shares in dematerialized form may contact their respective depository participant (DP) to avail the nomination facility.

**15. Disclosure on legal proceedings pertaining to shares:** There is one pending case relating to disputes over the title of the shares of the company, in which the company has been made a party. These cases, however, are not material in nature.

**16. Information on Memorandum and Articles of Association:** The Company's memorandum and articles of association are available on its website. Please refer point 31 of Board's report for weblink of the same.

**For and on behalf of the Board of Directors**

**Jayadev Galla**

Chairman, Managing Director & CEO

DIN: 00143610

Place: New Delhi

Date: May 28, 2024



## Annexure IV

# Business Responsibility and Sustainability Report

### SECTION A: GENERAL DISCLOSURES

#### I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L31402AP1985PLC005305
2.	Name of the Company	Amara Raja Energy & Mobility Limited
3.	Year of Incorporation	1985
4.	Registered Office Address	Renignuta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh – 517520.
5.	Corporate Address	TERMINAL A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad – 500032.
6.	Email Address	<a href="mailto:investorservices@amararaja.com">investorservices@amararaja.com</a>
7.	Telephone	040-23139000
8.	Website	<a href="http://www.amararajaeandm.com">www.amararajaeandm.com</a>
9.	Financial Year Reported	FY 2023-2024
10.	Name of the Stock Exchanges where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	18.30 Cr
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Prashant Tiwari Email - <a href="mailto:pt1@amararaja.com">pt1@amararaja.com</a> Phone: 040-23139000
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis For the purpose of this report the sustainability data related to recently acquired Plastic Component for Battery Business from Mangal Industries Limited, has not been included.
14.	Name of assurance provider	Bureau Veritas Industrial Services (India) Pvt. Ltd.
15.	Type of assurance obtained	Limited Assurance

#### II. Products/Services

##### 16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Manufacturing	Manufacturing of Batteries for Automotive and Industrial applications	87.43
2	Trading	Trading of Batteries for Automotive and Industrial applications	9.96

##### 17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	Batteries for Automotive and Industrial applications	27201	87.43
2	Trading of Batteries for Automotive and Industrial applications	27201	9.96

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	7	23	30
International	0	0	0

#### 19. Markets served by the Company

##### a. Number of locations

Locations	Number
National (No. of States)	Present across PAN India through franchisees and dealers
International (No. of Countries)	50+ countries

##### b. What is the contribution of exports as a percentage of the total turnover of the Company?

13.2%

##### c. Types of customers

ARE&M stands as a prominent player and technology leader in the Indian energy storage industry. Holding a substantial market share, the company excels in the production of lead-acid batteries for industrial and automotive applications. A broad retail network facilitates the distribution of superior automotive and home UPS/Inverter batteries across India. These products, available under the distinguished brand names of Amaron®, PowerZone®, Quanta® Power Stack®, Amaron Volt™, Amaron Brute™, and Amaron Sleek™, are the preferred choice for various industry segments. These include telecom (both service providers and tower companies), UPS, Indian Railways, Motive, Power and other industry.

The Company has successfully established robust OEM partnerships with esteemed automobile companies and is a leading supplier of private-label products to well-known brands. The reach of ARE&M extends beyond the borders of India, catering to a vast majority of countries along the Indian Ocean Rim. This is a testament to ARE&M's commitment to excellence and its vision of being a global leader in the battery storage industry.

### IV. Employees

#### 20. Details as at the end of Financial Year

##### a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	2312	2137	92%	175	8%
2.	Other than Permanent (E)	49	44	90%	5	10%
3.	<b>Total employees (D+E)</b>	<b>2361</b>	<b>2181</b>	<b>92%</b>	<b>180</b>	<b>8%</b>
<b>WORKERS</b>						
4.	Permanent (F)	5968	5264	88%	704	12%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	<b>Total workers (F+G)</b>	<b>5968</b>	<b>5264</b>	<b>88%</b>	<b>704</b>	<b>12%</b>



**b. Differently abled Employees and workers:**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	3	3	100%	0	0%
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D+E)</b>	<b>3</b>	<b>3</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	30	29	97%	1	3%
5.	Other than Permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F+G)</b>	<b>30</b>	<b>29</b>	<b>97%</b>	<b>1</b>	<b>3%</b>

**21. Participation/Inclusion/Representation of Women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14%
Key Management Personnel	3	0	0%

**22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years) (in %)**

Particulars	FY24			FY23			FY22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.25	8.08	13.11	15.10	15.34	15.12	12.14	14.93	12.38
Permanent Workers	10.63	8.31	9.6	8.86	6.68	8.64	13.59	8.84	13.27

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. Name of holding/subsidiary/associate companies/joint ventures**

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	Amara Raja Batteries Middle East (FZE) (ARBME)	Wholly owned subsidiary	100%	No
2	Amara Raja Circular Solutions Private Limited (ARCS)	Wholly owned subsidiary	100%	No
3	Amara Raja Advanced Cell Technologies Private Limited (ARACT)	Wholly owned subsidiary	100%	No
4	Amara Raja Power Systems Private Limited (ARPS)	Wholly owned subsidiary	100%	No

**VI. CSR Details**

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes
- (ii) Turnover (in Rs. Crores): 11,260.30
- (iii) Net worth (in Rs. Crores): 6,768.65

## VII. Transparency and Disclosure Compliances

### 25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY24			FY23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes ( <a href="https://www.amararajaeandm.com/Investors/investors-contact">https://www.amararajaeandm.com/Investors/investors-contact</a> )	9	0	NA	11	1	NA
Employees and workers*	Yes	228	0	NA	381	0	NA
Customers**	Yes	19	17	NA	10	31	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)		0	0	NA	0	0	NA

\* Incorporated within these figures are the valuable proposals received concerning safety enhancements and improvements in the workplace in safety committee meetings and other forums.

\*\* Only includes complaints lodged in consumer forums

#### Community

A formal process is in place to manage grievances from communities, related to both internal operations and contractors. This process ensures that all complaints are handled in a culturally sensitive, respectful, timely, and consistent manner. Feedback and suggestions from communities are actively sought by CSR personnel and prioritized for resolution. Defined timelines and escalation mechanisms ensure that all grievances are received, acknowledged, assessed, assigned, investigated, and responded to.

#### Investor and Shareholder

A robust mechanism is established to address and redress grievances from investors and shareholders.

#### Employee and Worker

Grievance redressal procedures are in place for employees and workers. An annual communication meeting is held by the senior management team, providing a platform for expressing any concerns.

#### Customer

ARE&M has a mechanism to address customer complaints related to product, quality, service, warranty, and other related issues. Customers have the option to log complaints for quick resolution through a digital platform or the "Amaron Konnekt" mobile app. A 24x7 helpline is also available for customers to call for any queries or concerns.

#### Value Chain Partner

Grievances from value chain partners are formally handled in accordance with the supplier code of conduct and the specific terms and conditions of each individual contract. Regular engagement with suppliers and channel partners through events like the annual channel partners meet helps in identifying and handling any concerns or complaints. These issues are presented to the relevant decision-makers who work to resolve them within appropriate timelines.



26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety	R	<p><b>Risk</b></p> <p>Affects the basic right to life and well-being of individuals.</p> <p>Legal repercussions arising out of statutory laws such as the Factories Act and others.</p>	<p>Occupational Health &amp; Safety Management System certified under ISO 45001 covers all sites.</p> <p>Competent Health &amp; Safety teams deployed at all sites.</p> <p>Occupational health services are present at all locations.</p> <p>Special provisions to deal with high-consequence injuries and related rehabilitation measures</p> <p>Medical insurance covers all employees.</p>	Negative
2	GHG Emission Management and Climate Change	R/O	<p><b>Risk</b></p> <p>Evolving regulations around carbon emissions pricing, carbon border taxes and negative stakeholder feedback resulting in business implications</p> <p><b>Opportunity</b></p> <p>Reducing dependency on fossil fuels, positive climate impact and increased energy and resource use efficiency.</p> <p>Potential market of lithium-ion batteries</p>	<p>Accounting of carbon emissions in accordance with Greenhouse Gas Protocol (GHGP) &amp; ISO 14064</p> <p>Carbon emissions reduction and energy efficiency projects to reduce ARE&amp;M carbon footprint.</p> <p>Renewable energy usage in the form of solar power.</p> <p>Facilities certified under ISO 50001:2018 for energy management systems.</p>	Negative/Positive
3	Business Ethics	R	<p><b>Risk</b></p> <p>Business ethics is a critical aspect that can pose a risk if not upheld. Ethical misconduct can lead to legal issues, reputational damage, and loss of stakeholder trust.</p>	<p>Implementing a robust code of conduct, regular ethics training, and establishing a whistleblower mechanism can help mitigate ethical risks.</p>	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Resource Efficiency and Circularity	R	<p><b>Risk</b></p> <p>Scarcity of natural resources leading to rising prices.</p> <p>Raw material procurement impacted due to supply chain disruptions</p>	<p>Circular Economy approach for all our processes.</p> <p>Investment in R&amp;D to optimize lead usage in our batteries.</p> <p>Use of recycled lead to the maximum extent in our processes.</p> <p>Resource use efficiency measures to reduce raw material input requirement.</p> <p>Major procurement from localized suppliers to abate supply chain disruptions.</p> <p>In addition, our wholly owned subsidiary ARCS is setting up 1.5 Lac MTPA of lead recycling facility in Chayyar Tamil Nadu.</p>	Negative
5	Product Stewardship	O	<p><b>Opportunity</b></p> <p>Cater to consumer demand for greener products.</p>		Positive
6	Talent Attraction and Retention	O	<p><b>Opportunity</b></p> <p>Skilled and motivated employees drive innovation, productivity, and business growth.</p>		Positive
7	Corporate Governance	O	<p><b>Opportunity</b></p> <p>Strong corporate governance practices present an opportunity for companies to enhance transparency, accountability, and long-term sustainability.</p>		Positive



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Innovation and R&D	O	<b>Opportunity</b> Embracing innovation and investing in research and development can lead to new product development, enhanced competitiveness, and market expansion.		Positive
9	Diversity, Equity, Inclusion & Belongingness	O	<b>Opportunity</b> Diverse teams lead to better decision-making, creativity, and overall organizational success.		Positive
10	Supply Chain Management	R	<b>Risk</b> Disruptions or inefficiencies in the supply chain can lead to product shortages, delivery delays, and increased costs. A poorly managed supply chain can result in lost sales, customer dissatisfaction, and damage to the company's reputation.	Optimized sourcing, build strong supplier relationships, and explore cost-saving opportunities.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether the Company's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
	c. Weblink of the policies, if available	1. Policy on Prevention of Sexual Harassment 2. No harassment at workplace Policy 3. Equal Opportunity for employment & diversity Policy 4. Discrimination & equal opportunities Policy 5. Archival Policy 6. Corporate Social Responsibility Policy 7. Nomination and Remuneration Policy 8. Code Of Conduct for Directors and Senior Management Personnel 9. Vigil Mechanism/ Whistle Blower Policy 10. Dividend Distribution Policy 11. Code of Fair Disclosure 12. Materiality Policy 13. Policy on dealing with Related Party Transactions 14. Policy on determination of material subsidiary 15. Health, Safety & Environment Policy 16. Board Diversity Policy 17. Supplier Code of Conduct 18. Dividend Distribution Policy 19. Anti-Bribery & Anti-Corruption 20. Human Rights Policy 21. Community Grievance Management 22. Employee Grievance Management Web-link - <a href="#">Policies</a>								
2.	Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
3.	Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes, The Company has a Supplier's code of conduct extended to supply chain partners.								
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	ISO 9001 : Quality Management Systems (QMS) ISO 14001: Environmental Management Systems (EMS) ISO 45001: Occupational Health and Safety Management Systems (OH&S) IATF 16949: Quality Management Systems specifically in the automotive industry ISO 50001: Energy Management Systems (EnMS) Also, ARE&M undergoes periodical internal & external assessment to evaluate the effectiveness of management systems and policies. ARE&M is a signatory to the 10 principles of the UN Global Compact.								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<p>5. Specific commitments, goals and targets set by the Company with defined timelines, if any.</p>	<p>The baseline and target year for the objectives below are FY23-24 &amp; FY24-25 respectively.</p> <p><b>Energy and Carbon</b>            Increase ARE&amp;M's renewable energy share to 25%.            Reduce carbon intensity (scope 1 and 2 emissions) by 11%.            Reduce energy intensity by 1.5%.</p> <p><b>Water</b>            Reduce specific freshwater consumption by 10%.</p> <p><b>Circular Economy</b>            Reduce waste intensity by 8.35%.            Increase recycled Lead &amp; Lead Alloys in production to 84.31%.            Increase recycled Polypropylene Copolymer in production to 20%+.            Improve battery recycling collection rate to 70% for Automotive and 60% for Industrial Batteries as per BWMR 2022.</p> <p><b>Safety and Occupational Health</b>            Continue to be a zero-fatality organization.            Reduce LTIFR by 20%.</p> <p><b>People</b>            Improve Gender diversity within the organization to 12%.</p> <p><b>Communities</b>            Construction of accommodation hall for NCC boys cadets.            Construction of veterinary hospital and milk collection center.            Deployment of Smart Class Rooms in schools managed by ARES.</p>								
<p>6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.</p>	<p>ARE&amp;M has made significant progresss in its sustainability initiatives:</p> <ul style="list-style-type: none"> <li>• <b>Renewable Energy:</b> The Company has increased its reliance on renewable energy sources, such as solar power. Currently, renewable energy accounts for 23.46% of the overall energy mix.</li> <li>• <b>Energy Conservation:</b> The Company's energy conservation measures have led to a 19.18% decrease in energy intensity.</li> <li>• <b>Carbon Emissions:</b> There has been a 19.54% decrease in absolute carbon emissions and a 38.13% decrease in emission intensity.</li> <li>• <b>Recycled Lead Usage:</b> The Company has used recycled lead for 83% of all lead consumed, leading to avoided abiotic depletion.</li> <li>• <b>Waste Intensity:</b> Waste intensity has been reduced by 26.24%.</li> <li>• <b>Water Conservation:</b> Zero Liquid Discharge systems have been commissioned at all facilities, leading to an increase in the effluent recycling rate and a reduction in freshwater consumption. Rainwater harvesting structures have been developed for the collection and usage of rainwater as an alternative source, replacing freshwater withdrawn from surface and ground sources. Due to these initiatives, freshwater consumption has decreased by 20.35% and water intensity has decreased by 50.69%.</li> <li>• <b>Safety:</b> ARE&amp;M has maintained its status as a zero-fatality organization throughout the year. The Lost Time Frequency Rate (LTIFR) for FY24 was 0.93. The rate has increased, the Company has already initiated Behavior Based Safety (BBS) programme and assessment of critical risks.</li> </ul>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

- **Health:** The Company achieved 100% compliance with initial medical examinations and periodic medical examinations.
- **Diversity:** The gender diversity at ARE&M currently stands at 10.61%. Diversity targets are included in the business score cards and KRAs of Key Leaders. Organization wide sensitization workshops have been conducted.
- **Community Projects:** ARE&M has completed village infrastructure projects, including underground drainage and solid waste management, and the second skill development centre will be operational in FY 25 which will lead to increased livelihood opportunities for rural youth.
- **Life Cycle Assessments:** Completed for two products.
- **Battery Recycling Collection Rate:** We have achieved the target.

**Policy and management processes**

7.	<p>Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</p> <p>In its initial attempt, ARE&amp;M received a B CDP rating for climate action, demonstrating its commitment to a net zero plan within its operations and across its value chain. This promising start fuels the company's determination to maintain this momentum.</p> <p>Over the year, ARE&amp;M launched the Amara Raja Sustainability Academy, an online training program designed to enhance the company's sustainability capabilities. The program, tailored to specific job roles, has already seen participation from 300 leaders. The Sustainability Committee conducts regular reviews of the company's sustainability performance to ensure alignment with its goals.</p> <p>The company also undertook a life cycle assessment for its products to understand and mitigate their environmental impact, reinforcing its commitment to environmental stewardship. These accomplishments are a testament to the company's dedication and diligence.</p> <p>The journey has also yielded valuable insights, particularly in the realm of safety. The company recognizes that behavioural changes are pivotal to enhancing safety and that demonstrate a culture of safety is a continuous process requiring consistent effort and vigilance.</p> <p>Furthermore, the company acknowledges the need for ongoing improvement in areas such as diversity and inclusion. Business leaders have set stringent targets to promote inclusivity and improve performance on diversity, addressing talent attraction, retention, and growth. ARE&amp;M's commitment to promote an inclusive workplace and ensuring employee safety remains steadfast. Kindly also refer to the Management Statements in the Integrated Report.</p>	
8.	<p>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).</p>	<p>ARE&amp;M monitors the implementation of business responsibility policies through a leadership team chaired by Mr. Jayadev Galla, Chairman and Managing Director. Environment, Social and Governance aspects are regularly discussed at meetings.</p>
9.	<p>Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p>	<p>Yes</p> <p>ARE&amp;M's commitment to sustainability is embodied in its Executive Sustainability Committee. This committee comprises C-suite executives who are responsible for overseeing the progress and implementation of initiatives linked to sustainability on a monthly basis. The committee is under the leadership of Mr. Harshavardhana Gourineni, the Executive Director, and includes key leaders as members.</p> <p>The Sustainability Committee has a broad set of objectives:</p> <p><b>Defining Sustainability Metrics:</b> The committee is tasked with defining Sustainability metrics and monitoring their progress on a monthly basis.</p> <p><b>Reviewing Sustainability Projects:</b> The committee reviews both planned and potential Sustainability projects, providing necessary inputs and support.</p> <p><b>Building Sustainability Capability:</b> Committee focuses on enhancing organizational capabilities in sustainability, taking into account Sustainability trends and current skillsets.</p> <p><b>Conducting Benchmarking:</b> The committee conducts periodic benchmarking to bring in external and customer perspectives.</p> <p><b>Developing AR Sustainability Framework:</b> The committee is responsible for developing and rolling out AR's sustainability framework and assurance protocol. This structure ensures that ARE&amp;M maintains a strong focus on sustainability and continues to make strides in this crucial area.</p>





## 10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action																			In terms of performance against policies and subsequent actions, ARE&M conducts internal reviews of its policies either periodically or as required. These reviews are carried out by various personnel including Functional Heads, Business Heads, and Executive Directors. During these assessments, the effectiveness of the policies is evaluated, and any necessary modifications are implemented.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																			ARE&M is compliant with all applicable regulations

Description of Main Activity	P1	P2	P3	P4	P5	P6	P7	P8	P9	
11 Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.										ARE&M has strategically engaged the proficiency of renowned certification bodies to conduct a comprehensive evaluation of its policies and procedures. The company's policies and procedures undergo rigorous assessment by esteemed third-party agencies, including TUV NORD and Bureau Veritas, ensuring adherence to the highest standards of operational excellence.

## 12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
The entity does not consider the Principle material to its business (Yes/No)										While ARE&M does not have a specific policy on "Public Advocacy" in place at present, active engagement in advocacy efforts is a key part of its operations, particularly those that have an impact on the Energy storage Industry and the organization itself. Representation in 11 trade and industry chambers/associations is maintained, including notable entities such as the Indian Battery Manufacturing Association, Auto Component Manufacturers Association, Recycling and Environment Association of India, and Confederation of Indian Industries (CII) at the national level. On a global scale, ARE&M holds representation in the United Nations Global Compact (UNGCC) and World Economic Forum (WEF). In addition, collaboration with statutory authorities is undertaken to address regulatory policies.
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)										
The entity does not have the financial or/human and technical resources available for the task (Yes/No)										
It is planned to be done in the next financial year (Yes/No)										
Any other reason (please specify)										

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### Principle 1:



Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicator:

#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	Sustainability, Cyber Security / Emerging trends & industry landscape / Climate Disclosure Project & Net Zero Plan/ Materiality Assessment	100%
Key Managerial Personnel	5	Sustainability, Cyber Security / Emerging trends & industry landscape / DEIB / Climate Disclosure Project	100%
Employees other than Board of Directors and KMPs	522	Trainings related to Functional, Technical, Soft skills, QHSE,	100%
Workers	500	Sustainability, CI&L, TPM, EnMS & Wellness programs to enhance the employee skills n competencies to perform better and promote health and wellness	100%

#### 2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			NIL		
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			NIL	



3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NIL

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, At ARE&M, an anti-corruption and anti-bribery policy has been put into effect to prevent, discourage, and detect any fraudulent and corrupt business practices. The Company is committed to conducting business with the highest degree of honesty, integrity, and ethical standards, and is dedicated to enforcing these standards throughout all global operations. This policy is applicable to all individuals associated with ARE&M, including employees and directors, and is incorporated into the on boarding process for every new recruit.

Web link to the policy: <https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/30?name=Anti-Bribery%20&%20Anti-Corruption%20policy>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY24	FY23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest

	FY24		FY23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

- NIL

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY24	FY23
Number of days of accounts payables	40.80	39.19

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY24	FY23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.33%	1.56%
	b. Number of trading houses where purchases are made from	16	15
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	98.59%	99.34%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	63.26%	63.31%
	b. Number of dealers / distributors to whom sales are made	2,140	2,072
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	10.82%	10.43%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	7.88%	7.92%
	b. Sales (Sales to related parties / Total Sales)	0.36%	0.29%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	48.20%	6.99%
	d. Investments ( Investments in related parties / Total Investments made)	57.71%	41.27%

**Leadership Indicators-**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	ARE&M's sustainability strategy along with our expectations from the vendor partners. Additionally, we discussed the Supplier Code of Conduct and the Sustainable Sourcing Policy. The topics covered ensured a comprehensive understanding of our approach to sustainability and responsible sourcing practices	70.19%

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.**

Yes, A Code of Conduct is in place, applicable to the Board of Directors and the senior management team. This Code encompasses measures to avert and manage conflicts of interest, insisting on honesty, ethics, and integrity from the individuals it covers. Disclosure and avoidance of any potential or actual conflicts of interest are required from all individuals under the Code's purview. The Code offers guidance on maintaining professional and respectful conduct, thereby mitigating and preventing any potential conflicts of interest.

For further details, please refer to policy at:

<https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/14?name=CODE%20OF%20CONDUCT%20FOR%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT%20PERSONNEL>



## Principle 2:



Business should provide goods and services in a manner that is sustainable and safe

### Essential Indicator:

**1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

	FY24	FY23	Details of Improvements in Environmental and Social Impacts
R & D	64%	61%	Reduction in hazardous waste generation, conservation of natural resources, resource use efficiency, reduction in GHG emissions, conservation of water resources, lessening dependence on fossil fuels for mobility, lowered vehicular pollution, fostering a safe and healthy working environment, increased end-user satisfaction with products, increasing safety and reliability of products.
Capex	2.37%	1.77%	

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

In alignment with the Sustainable Procurement policy, sustainable procurement practices are being implemented, encompassing all suppliers, vendors, and input materials. This policy addresses a broad spectrum of aspects, including ethics, business integrity, human rights, social responsibility, health and safety, environment, local community, green products and practices, quality, good manufacturing practices, and legal compliance. This approach underscores the commitment to sustainability and responsible business practices. It is a testament to the dedication towards fostering a sustainable and ethical business environment.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

<b>(a) Plastics (including packaging)</b>	Bound by the Extended Producer Responsibility (EPR) regulations, ARE&M has successfully developed and submitted an EPR plan to the Pollution Control Board. This has resulted in registration as a Brand Owner, empowering the organization to manage the disposal of Multilayered Plastic (MLP) and other plastic waste generated by its products in line with the EPR Action Plan.
<b>(b) E-waste</b>	Nil
<b>(c) Hazardous waste</b>	In lead management, the company has established a comprehensive system that encompasses the entire lifecycle of lead, from procurement to processing, waste generation, and recovery. A unique closed-loop system has been designed for the post-use phase, enabling the procurement of old batteries from dealers, recycling of materials through third-party recyclers, and acquisition of used lead for new battery production. Additionally, mechanisms are in place to refurbish and reuse old batteries. In a commitment to responsible battery management, the company participates in the Battery Waste Management Rules (BWMR) Project, an initiative by the Government of India. Efforts are made to raise awareness among end customers through messages on warranty cards, urging them to deposit used batteries at designated collection centres set up across India.  ARE&M has been actively involved in recycling lead by collecting scrap batteries and offering replacements to customers. Used batteries are safely transported to designated smelting plants for lead recycling, ensuring zero harm to the environment. Currently, recycled sources contribute to 83% of the lead used in manufacturing. Also, it is striving to increase this proportion by establishing more used battery collection mechanisms. A lead recycling facility with a capacity of 1.5 Lac MTPA is being set up in Cheyyar, TN, through ARE&M's wholly-owned subsidiary, ARCS.
<b>(d) other waste.</b>	Nil



**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, An EPR plan has been prepared and duly submitted to the Pollution Control Board. Our plan is carefully aligned with our overall waste management strategy and complies with all relevant regulations.

**Leadership Indicators –**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
27201	Automotive Battery (40B20)	3.30%	Cradle to grave	Yes	No
27201	Industrial Battery (2v, 600 Ah)	8.31%	Cradle to grave	Yes	No

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Automotive Battery 40B20 Industrial Battery 2V, 600 Ah	Abiotic Depletion (ADP fossil): It is a measure of the use of non-renewable sources as energy for the product lifecycle. The risk essentially flags the dependency of the product lifecycle on non-renewable sources of energy which is concentrated in the product production phase.	Increasing the use of renewable energy sources such as solar power at our production sites. Development of captive solar power capacity at our plant locations. Use of recycled lead to the tune of 76% of all lead consumed leading to avoided abiotic depletion. Our energy conservation initiatives have resulted in decrease in our Energy intensity.
	Global Warming Potential (GWP 100 yrs.)- It is a measure of the amount of GHG emissions as a result of the product lifecycle. The risk flags the contribution of the product in global warming or climate change which is concentrated in the product production phase.	Increasing the use of renewable energy sources such as solar power at our production sites. Development of captive solar power capacity at our plant locations. Voluntary REC procurement to offset GHG emissions resulting from non-conventional energy usage. Our energy conservation initiatives have resulted in decrease in our Energy intensity
	Blue-water consumption: It is a measure of the amount of blue-water (freshwater from surface & ground sources) consumed during the product lifecycle essentially providing us with a footprint of the product. The risk flags the potential scarcity of blue water that can result from excessive consumption during the product life cycle mostly concentrated in the production phase.	Zero Liquid Discharge systems commissioned at all our facilities leading to an increase in effluent recycling rate & reduction in freshwater consumption. Rainwater harvesting structures for the collection & usage of rainwater as an alternative source replacing freshwater. ETP optimization done to reduce the amount of auxiliary water required for ETP operations.



3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material (By Weight)	Recycled or re-used input material to total material #	
	FY24	FY23
Recycled Lead	83.20%	69.53%
Recycled plastics	10.76%	6.70%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY24			FY23		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Hazardous waste (Batteries)	-	113,495	-	-	79,747	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Used Batteries	Automotive - 62% Industrial - 46% (As per BWMR 2022)

## Principle 3:



Business should respect and promote the wellbeing of all employees, including those in their value chains

### Essential Indicator:

1 a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities#	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	2137	2137	100%	2137	100%	NA	NA	2137	100%	2137	100%
Female	175	175	100%	175	100%	175	100%	NA	NA	175	100%
<b>Total</b>	<b>2312</b>	<b>2312</b>	<b>100%</b>	<b>2312</b>	<b>100%</b>	<b>175</b>	<b>100%</b>	<b>2137</b>	<b>100%</b>	<b>2312</b>	<b>100%</b>
<b>Other than Permanent employees</b>											
Male	44	44	100%	44	100%	NA	NA	44	100%	44	100%
Female	5	5	100%	5	100%	5	100%	NA	NA	5	100%
<b>Total</b>	<b>49</b>	<b>49</b>	<b>100%</b>	<b>49</b>	<b>100%</b>	<b>5</b>	<b>10.2%</b>	<b>NA</b>	<b>NA</b>	<b>5</b>	<b>100%</b>

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent Workers</b>											
Male	5264	5264	100%	5264	100%	NA	NA	5264	100%	5264	100%
Female	704	704	100%	704	100%	704	100%	NA	NA	704	100%
<b>Total</b>	<b>5968</b>	<b>5968</b>	<b>100%</b>	<b>5968</b>	<b>100%</b>	<b>704</b>	<b>100%</b>	<b>5264</b>	<b>100%</b>	<b>5968</b>	<b>100%</b>
<b>Other than Permanent Workers</b>											
Male	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY24	FY 23
Cost incurred on well- being measures as a % of total revenue of the company	0.61%	0.71%

**2. Details of retirement benefits, for Current and Previous Financial Year.**

Benefits	FY24			FY23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others- please specify	100%	100%	NA	100%	100%	NA

**3. Accessibility of workplaces**

**Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.**

ARE&M is committed to ensuring that all premises and offices are accessible to employees and workers, regardless of their physical abilities. In a further demonstration of this commitment, It is in the process of deploying additional amenities at the plant and other work locations. These enhancements are specifically designed to improve accessibility for employees with different abilities, thereby fostering an inclusive and supportive work environment.

**4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company stands firm in its commitment to the equal opportunity policy, as outlined in the Rights of Persons with Disabilities Act, 2016. The organization is dedicated to offering equal employment opportunities to all individuals who meet the qualifications specified in the Human Resources recruitment policies and selection processes. This commitment extends to individuals of all physical or mental abilities, caste, gender, race, color, religion, or creed.

In accordance with the laws of the country, the company upholds its position as an equal opportunity employer. The Company does not discriminate or show preference based on any of these factors.

Web-Link: <https://www.amararaja.com/code-of-ethics/>



5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Particulars	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Case Details	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	<p>A mechanism for addressing complaints, known as the Grievance Redressal Mechanism, has been established. This mechanism is managed by the HR department. In addition, open house sessions such as Company Communication Meet, Plant Communication Meet, and Open Forums are conducted. These sessions serve as platforms for employees and workers to express their grievances.</p> <p>Any grievance from the workforce can be relayed to the respective HR personnel. These grievances are then internally deliberated upon, and a resolution plan is devised. This approach underscores the commitment to maintaining an open dialogue and fostering a supportive work environment.</p>
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY24			FY23		
	Total employees/workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Employees</b>	2312	46	1.99	2289	48	2.1
- Male	2137	44	2.06	2105	45	2.14
- Female	175	2	1.14	184	3	1.63
<b>Total Permanent Workers</b>	5968	34	0.57	5704	27	0.47
- Male	5264	33	0.63	5078	26	0.51
- Female	704	1	0.14	626	1	0.16



### 8. Details of training given to employees and workers:

Category	FY24					FY23				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures #		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2137	2137	100%	2137	100%	2105	2105	100%	2105	100%
Female	175	175	100%	175	100%	184	184	100%	184	100%
<b>Total</b>	<b>2312</b>	<b>2312</b>	<b>100%</b>	<b>2312</b>	<b>100%</b>	<b>2289</b>	<b>2289</b>	<b>100%</b>	<b>2289</b>	<b>100%</b>
<b>Workers</b>										
Male	5264	5264	100%	5264	100%	5078	5078	100%	5078	100%
Female	704	704	100%	704	100%	626	626	100%	626	100%
<b>Total*</b>	<b>5968</b>	<b>5968</b>	<b>100%</b>	<b>5968</b>	<b>100%</b>	<b>5704</b>	<b>5704</b>	<b>100%</b>	<b>5704</b>	<b>100%</b>

\*Includes induction training, On the job trainings, toolbox talks, class room instructions and webinars. we conduct skill gap assessment regularly and define our annual training calendars.

### 9. Details of performance and career development reviews of employees and workers:

Category	FY24			FY23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2137	2137	100%	2105	2105	100%
Female	175	175	100%	184	184	100%
<b>Total</b>	<b>2312</b>	<b>2312</b>	<b>100%</b>	<b>2289</b>	<b>2289</b>	<b>100%</b>
<b>Workers</b>						
Male	5264	5264	100%	5078	5078	100%
Female	704	704	100%	626	626	100%
<b>Total</b>	<b>5968</b>	<b>5968</b>	<b>100%</b>	<b>5704</b>	<b>5704</b>	<b>100%</b>

### 10. Health and Safety Management System:

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, A formal Occupational Health & Safety Management System (OHSMS) based on ISO 45001 has been put into operation at ARE&M. This system extends its coverage to all operating and manufacturing facilities, ensuring a consistent approach to safety across all locations.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Work-related hazards across all units are identified through the Hazard Identification and Risk Assessment (HIRA) process. This process involves a dedicated team of operations, maintenance, and safety personnel. To ensure safe operations, well-defined Standard Operating Procedures (SOPs), operational controls, and a work permit system are in place.

Preparation for emergency situations is facilitated through documented emergency plans. Critical risk identification is performed based on incident statistics to pinpoint top risks. Safety standards have been rolled out to mitigate these risks.

The Health, Safety, and Environment (HSE) Council convenes on a monthly basis to assess top risks and discuss health and safety parameters. All employees and workers undergo regular safety training and mandatory induction, which cover hazard identification and reporting.

Periodic safety inspections and audits are conducted to ensure compliance, with immediate corrective actions taken as necessary.

**c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes, The company's employees communicate work-related hazards through a variety of platforms. These include the Health, Safety, and Environment (HSE) committee, dialogues during leadership and safety rounds, as well as GEMBA walks, among others.

In addition, a mobile application is provided as part of the implemented ESG software for sustainability performance. This application empowers employees and workers to report any work-related hazards, including unsafe acts or near-miss conditions.

**d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, Access to medical and healthcare services for non-occupational purposes is granted to all employees.

**11. Details of safety related incidents, in the following format**

	Category	FY24	FY23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.22	0
	Workers	1.21	0.67
Total recordable work-related injuries	Employees	1	0
	Workers	14	10
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

At ARE&M, the value of EXCELLENCE is held in high regard. The belief is strong that a safe and healthy workplace not only shields employees from injuries and illnesses but also boosts their morale and well-being.

Safety is always the top priority, and there is a full commitment to cultivating a culture of excellence in safety. The occupational health and safety management system (ISO 45001:2018) is being implemented to continually enhance safety performance across all facilities.

The approach encompasses various measures such as:

**Hazard Identification and Risk Assessment:** Identifying potential hazards and assessing the risks associated with them.

**Emergency Response Drills:** Conducting drills to prepare for emergencies.

**Inspection of Tools and Tackles:** Ensuring that tools and tackles are inspected by competent personnel.

**Work Permits and LOTO Systems:** Adhering to work permits and Lock Out Tag Out (LOTO) systems for safety.

**Inspection of Engineering Controls:** Regularly inspecting engineering controls for safety.

**Safety Training:** Providing comprehensive safety training for both new and existing employees.

Through these systems, the company adheres to all applicable national and international safety standards. Additionally, state-of-the-art technologies

and management practices relevant to the business are proactively embraced, aiming to enhance the working environment.

To ensure a safe working environment, the following measures have been implemented:

- **Work Permit System:** A system to ensure that non routine and/or high risk activities are carried out safely.
- **Workplace Safety Audit:** Regular audits by internal teams to ensure safety.
- **Periodical Inspection:** Regular inspection of lifting Tools and Tackles and pressure vessels by a competent authority.
- **Safety Committee Meetings:** Regular meetings to discuss and improve safety measures.
- **Safety Culture Training:** Training programs to enhance a culture of safety.
- **Behavior-Based Safety Practices:** Implementation of BBS practices at all locations.
- **Emergency Preparedness Drills:** Regular drills to prepare for emergencies.
- **Inspection of Controls:** Regular inspection of engineering controls, lifting tools, and material handling equipment controls.

- Energy Isolation: Implementation of Lock Out and Tag Out for energy isolation.
- Monitoring of Workplace Conditions: Regular monitoring of workplace noise and illumination levels.
- Risk Assessment: Regular risk assessment for all activities and new initiations.
- Occupational Health Centre: A state-of-the-art occupational health centre with 24x7 operations.

ARE&M continues to implement good practices in the maintenance and monitoring of ventilation systems to ensure that a safe and healthy work environment is maintained.

**13. Number of Complaints on the following made by employees and workers:**

	FY24			FY23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	200	0	-	363	0	-
Health & Safety	28	0	-	18	0	-

Note: The figures encompass the suggestions that the company has garnered related to safety enhancements and workplace betterment. The company's reporting structure is characterized by its robustness and transparency, providing diverse channels for communication, inclusive of a mobile platform and tool box talks. Furthermore, the company convenes regular Health, Safety, and Environment (HSE) council meetings to deliberate on matters concerning health and safety

**14. Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The Company has implemented a robust incident investigation process and takes corrective and preventive actions across the board.

Elimination of Accidents: The Company has successfully eliminated hazards during the fixing of pipelines for acid delivery after reaching the top of the float acid tank.

Hazard Identification and Risk Assessment (HIRA): The HIRA process is regularly reviewed. After a thorough study, faults categorized under 'Immediate Correction' have been rectified and moved to 'Record and Monitor'.

Safety Management System: ARE&ML's safety management system is comprehensive. It includes the revision of the HIRA document to prevent the recurrence of incidents and mitigate risks. The organization has a well-established process for identifying near misses, unsafe acts, and unsafe conditions, which enables the implementation of necessary corrective actions.

Audits and Inspections: To identify health and safety risks, ARE&ML conducts monthly internal audits, safety inspections, and periodic external safety audits. All these procedures align with the ISO 45001 management system standards.



## Leadership Indicators

### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

ARE&M provides a comprehensive suite of insurance policies and funds for all employees and workers, ensuring their well-being and financial security.

**Group Life Cover Policy (GTLI):** This policy offers financial security to the dependents of ARE&M's employees in the unfortunate event of loss of life during employment. Coverage commences from the employee's joining date and includes a payout of 36 months of the last drawn gross salary. All premiums and associated costs for this insurance coverage are borne.

**Group Personal Accident Policy (GPA):** This policy is extended to all employees, offering compensation for temporary total disability, permanent, total disability, permanent partial disability, and accidental death. Each employee is insured for a sum that is available for meeting claims to cover the impact of disability or death arising out of accidents. Coverage commences from the employee's joining date.

**Benevolent Fund Policy:** This policy extends benefits to regular employees. The benefits encompass retirement benefits, disablement benefits, death benefits, and benefits related to critical ailments.

### 2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

- In the company's supply chain, adherence to the Supplier Code of Conduct (SCoC) is a non-negotiable requirement for all partners. The SCoC also includes a clause that obliges suppliers to comply with all pertinent labour and safety laws, regulations, and tax obligations. Furthermore, ARE&M advocates for its suppliers to uphold comprehensive documentation as evidence of their compliance with these principles.

### 3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY24	FY23	FY24	FY23
Employees	0	0	0	0
Workers	0	0	0	0

### 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) –

The Company takes a proactive approach to employee education, organizing informative sessions led by banking experts. These sessions are designed to enlighten retired employees about the fundamentals of the financial market and various government schemes. It is committed to the financial wellness of all its employees, demonstrated by the biannual awareness programs it conducts. These programs cover a wide range of benefits, including SAS, gratuity, PF, benevolent fund, leave encashment, and post-retirement benefits. This initiative underscores the company's dedication to fostering a well-informed workforce and ensuring their financial security.

### 5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	70.19%
Working Conditions	

### 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

In its pursuit of delivering high-quality products and services, the company collaborates with a multitude of partners and suppliers. Regular audits and reviews are conducted to ensure adherence to compliance standards. If necessary, corrective measures are implemented. The assessment of value chain partners has not revealed any significant risks, demonstrating ARE&M's commitment to maintaining a robust and risk-free supply chain.

**Principle 4:**

**Business should respect the interests of and be responsive to all its stakeholders**

**Essential Indicator:****1. Describe the processes for identifying key stakeholder groups of the Company.**

At ARE&M, the process of stakeholder identification is meticulously structured and executed in the following sequence:

- i. Determining the purpose of the stakeholder analysis.
- ii. Recognizing potential stakeholders who could influence or be influenced by the business.
- iii. Categorizing stakeholders as internal or external.
- iv. Prioritizing stakeholders based on their impact on the business.
- v. Gathering information on stakeholder expectations.
- vi. Formulating a stakeholder engagement plan.

This process is a continuous effort that necessitates regular monitoring and engagement. It is designed to ensure that ARE&M is responsive to its stakeholders' needs and is successful in achieving its objectives.

**2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.**

<b>Stakeholder Group</b>	<b>Whether identified as vulnerable &amp; marginalised group (Yes/ No)</b>	<b>Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)</b>	<b>Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
Employees	No	Intranet, Company Communication, Open Houses, Notice Boards, Internal Mobile app, Internal Chat bot etc.,	Intranet – Daily Newsletters-Quarterly, Emails & company communication – As and when required	Employee engagement activities, training, awareness and welfare programmes
Customers	No	Regular business meetings, Customer satisfaction surveys, Advertisements, publications, website, app and social media	Frequent and needbased	New product launches; customer satisfaction, grievance redressal, service support, product health checks
Suppliers	No	Regular business meetings & supplier meets (including supplier sustainability workshops)	Frequent and needbased	Business-related discussions, awareness and training programmes, workshops and seminars, supplier sustainability
Local community	Yes	Rajanna Foundation, Krishnadevaraya Educational and Cultural Association (KECA), community meetings, newspapers	Frequent and need based	CSR projects delivery, managing community expectations & demands
Investors and Shareholders	No	Quarterly results, Annual Reports, Earnings call, Analyst meet, press releases, website, Email, newspaper advertisement, intimation to stock exchanges, Annual General Meetings and investor meetings / conferences	Annual, quarterly and need based	To inform the current performance of the Company and its future plans

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

- ARE&M has conducted a detailed Materiality Assessment in consultation with board member & senior management and other stakeholders like employees, communities, suppliers, customers etc. to identify significant ES&G issues. The results of the assessment have been shared in Sustainability committee.
- Any feedback or grievances received from various stakeholders are evaluated for their relevance by the respective functional leaders. These leaders then update the Board accordingly, ensuring that all pertinent information is communicated effectively. This process underscores the commitment to maintaining open lines of communication and addressing stakeholder concerns in a timely and professional manner.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

- Yes. Understanding the significance of stakeholder consultation in decision-making, risk management, relationship-building, and achieving sustainable outcomes, ARE&M has adopted a proactive approach to stakeholder involvement. This approach fosters inclusivity, accountability, and responsiveness, leading to more successful and impactful initiatives.
- The first step in this process involves identifying key stakeholders along with their interests and issues. This is followed by a comprehensive materiality assessment to determine the significance of the identified material issues. The assessment takes into account factors such as the potential impact of each issue on the organization's performance, reputation, stakeholder trust, and long-term sustainability.
- Engagement with a diverse group of internal and external stakeholders, including employees, customers, local communities, and investors, forms a crucial part of this process. Inputs from these stakeholders are benchmarked against internal knowledge of global and sectoral trends, major social issues, the business model, regulatory requirements, and well-established sustainability standards.

- The issues that emerge from this process are evaluated for their impact on both ARE&M and its stakeholders. In response, modifications are made to existing policies, and new policies and procedures are introduced to specifically address these material issues. These changes are also reflected in the overall ESG strategy and sustainability projects of ARE&M.
- To ensure ongoing progress, a defined set of goals and targets are established for regular performance monitoring. As part of the formal and continuous stakeholder engagement process, feedback and suggestions are actively sought to refine the Sustainability strategy. The input received is highly valued and considered essential for enhancing the approach to sustainability.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

ARE&M's Corporate Social Responsibility (CSR) initiatives are designed with the objective of enhancing the lives and livelihoods of underprivileged, marginalized, and vulnerable communities in proximity to its operational facilities. Regular on-site discussions are conducted by CSR personnel to feedback and suggestions on community-related issues, which are promptly addressed. These initiatives are spearheaded by the Rajanna Foundation and encompass the following areas:

**Primary Health:** ARE&M's CSR is committed to providing access to healthcare for vulnerable sections of society who lack the resources for quality healthcare. It extends primary healthcare services to nearly 20,000 individuals, including children, women, senior citizens, and marginalized communities.

**Education:** The Amara Raja Educational Society (ARES) operates three schools located at Karakambadi, Petamitta, and Diguamagham in the Tirupati & Chittoor districts, affiliated to CBSE. These institutions provided quality education to 4,700+ children, 80% of whom belong to marginalized or vulnerable sections.

**Skill Development:** The Amara Raja Skill Development Centre (ARDC), established in 2014, has a dedicated team that works with the youth, particularly in rural areas, to enhance their skills and provide them with non-migratory employment opportunities. Currently, a total of 1533 students are receiving on-the-job training through this skill development program.

**Environment and Social Forestry:** The Company is committed to a sustainable future and has taken tangible steps towards this goal, including soil conservation and vegetation regeneration through social forestry schemes. Social forestry encourages forest expansion, which can be utilized by tribal and forest-dependent people for harvesting forest produce, a daily necessity for these vulnerable sections.



**Principle 5:**

Business should respect and promote human rights

**Essential Indicator:**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY24			FY23		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2312	2312	100%	2216	2216	100%
Other than Permanent	49	49	100%	74	74	100%
<b>Total Employees*</b>	<b>2361</b>	<b>2361</b>	<b>100%</b>	<b>2290</b>	<b>2290</b>	<b>100%</b>
<b>Workers</b>						
Permanent	5968	5968	100%	5356	5356	100%
Other than Permanent	0	0	0	0	0	0
<b>Total Workers*</b>	<b>5968</b>	<b>5968</b>	<b>100%</b>	<b>5356</b>	<b>5356</b>	<b>100%</b>

\* Large scale Integration programs on organizational values, on-line sessions on organisation policies, training programs on Humans Rights and workplace health, safety & POSH

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY24					FY23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	2137	0	-	2137	100	2105	0	-	2105	100
Female	175	0	-	175	100	184	0	-	184	100
<b>Other than Permanent</b>										
Male	44	0	-	44	100%	0	0	-	0	0
Female	5	0	-	5	100%	0	0	-	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male	5264	0	-	5264	100	5078	0	-	5078	100
Female	704	0	-	704	100	626	0	-	626	100
<b>Other than Permanent</b>										
Male	0	0	-	0	0	0	0	-	0	0
Female	0	0	-	0	0	0	0	-	0	0



### 3. Details of remuneration/salary/wages, in the following format:

#### a. The details are provided below:

Particulars	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	6	15,91,27,999	1	16,30,000
Key Managerial Personnel (KMP)	3	1,33,72,274	Nil	-
Employees other than BoD and KMP	2132	6,22,068	175	6,47,796
Workers	5264	2,87,993	704	2,56,811

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY24	FY 23
Gross wages paid to females as % of total wages	9.8%	8.7%

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, ARE&M places a high priority on the protection and preservation of human rights, demonstrating a zero-tolerance policy towards any related violations. The Company's Code of Conduct & Ethics, along with HR policies and processes, specifically address this subject. The Company is a signatory to the United Nations Global Compact, and conducts human rights due diligence based on UNGC protocol to identify and control risks related to human rights.

To ensure respect for human rights across the organization, a process has been established for reporting red flags related to Human Rights. Incidents reported are thoroughly investigated by an Internal Complaints Committee or auditor. This internal committee also takes responsibility for managing and addressing the impacts of human rights violations appropriately. This approach underscores ARE&M's commitment to maintaining a professional and respectful work environment.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

- The Company has put in place a comprehensive set of internal procedures to effectively address grievances related to human rights. This includes the

establishment of well-defined policy frameworks, appointment of specific points of contact, creation of confidential channels for reporting, and implementation of robust investigation processes. ARE&M stands firm on its non-recrimination policies, provides mediation services, and ensures accountability through corrective actions. These procedures are subject to regular reviews and enhancements to sustain a work environment that is both safe and inclusive.

- ARE&M has implemented mechanisms to address human rights grievances through two key policies:
  - Grievance Redressal Policy: This policy, aims to address concerns and cultivate a harmonious work culture among Amara Raja employees. It is built on the foundation of mutual trust and timely resolution of grievances, with the goal of enhancing both employee and organizational performance.
  - Prevention of Sexual Harassment Policy (POSH): The Company's management has constituted an Internal Complaints Committee (ICC) with the mandate to investigate and resolve complaints of sexual harassment.

**6. Number of Complaints on the following made by employees and workers:**

The details are provided below:

	FY24			FY23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other Human rights related issues	0	0		0	0	

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY24	FY23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

- The organisation maintain a zero-tolerance policy when it comes to workplace harassment. It strongly encourage employees to promptly report any incidents of harassment to the appropriate authority. Upon receiving a report, it conducts a thorough investigation and take appropriate action. To address complaints of sexual harassment, it has established an independent Internal Complaints Committee. This committee operates autonomously and ensures the protection of employees from victimization. Its members are dedicated to resolving grievances in a peaceful and conciliatory manner. Additionally, it has appointed an Ombudsperson to handle the received complaints. All complaints are treated with utmost confidentiality, and the complainant's identity remains anonymous throughout the process. Furthermore, organisation strictly prohibit any form of retaliation against individuals who make a complaint, report of harassment in good faith, and those who participate in the investigation process.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

- The Supplier Code of Conduct at ARE&M is in align with globally recognized standards. This includes the Core Conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights by the United Nations, and the Principles of the UN Global Compact. Furthermore, it aligns with other pertinent industry standards and statutory requirements.

**10. Assessment for the year\*:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other- please specify	-

\*Our manufacturing plant and offices at Tirupathi and Chittoor are ISO45001 certified and undergo internal and external assessments. We have also assessed our operations for welfare and human rights.



**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

- No significant risks reported in the assessment.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

- Upon resolving human rights grievances or complaints, necessary alterations are made to the existing business processes at ARE&M, or new processes are introduced to avert similar issues in the future. For instance, should a complaint underscore a deficiency in the supplier code of conduct concerning human rights standards, the code may be amended to integrate more stringent requirements, thereby ensuring compliance among business partners.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

- The due diligence on human rights at ARE&M involves an exhaustive evaluation of operations, supply chain, and business practices to pinpoint, assess, and alleviate potential human rights risks and impacts. This process includes the assessment of engagement with indigenous or marginalized communities, labor practices, land acquisition processes, supply chain management, and security protocols. The due diligence scope

spans all operational areas with potential human rights implications, ensuring a comprehensive and proactive approach to risk management.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

- Yes, in all relevant instances, the company has ensured implementation.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	70.19%
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

During the assessments improvement were suggested on record keeping. However no significant risks/concerns were identified.

**Principle 6:**



**Business should respect and make efforts to protect and restore the environment.**

**Essential Indicator:**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY24	FY23
<b>From renewable sources</b>		
Total electricity consumption (A)	3,37,397	1,69,932
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>3,37,397</b>	<b>1,69,932</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	10,54,765	12,31,436
Total fuel consumption (E)	45,672	43,556
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>11,00,437</b>	<b>12,74,992</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>14,37,834</b>	<b>14,44,924</b>

Parameter	FY24	FY23
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations) (GJ/Cr)	127.69	139.1
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	2,921.54	3,182.61
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

- No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY24	FY23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	10498	3653
(ii) Groundwater	897059	1088777
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	61	49
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>907618</b>	<b>1092479</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>907618*</b>	<b>1339332</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	80.60	128.96
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	1,844.128	2,950.60
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

\*excludes internal recycled water as per BRSR guidance note.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd

4. Provide the following details related to water discharged:

Parameter	FY24	FY23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

Parameter	FY24	FY23
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>0</b>	<b>0</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd

**5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

- Yes, ARE&M has equipped all its facilities with Zero Liquid Discharge units (ZLDs). This ensures a 100% commitment to preventing any effluent discharge from the manufacturing processes. Notably, installations of 280 KLD and 500 KLD have been implemented at the Tirupathi and Chittoor locations respectively.

**6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:**

Parameter *	Unit	FY24	FY23
NOx	-	NA	NA
SOx	-	NA	NA
Particulate matter (PM)	MT	188	336
Persistent organic pollutants (POP)	mg/Nm3	NA	NA
Volatile organic compounds (VOC)	mg/Nm3	NA	NA
Hazardous air pollutants (HAP)	mg/Nm3	0 to 1.56	0 to 0.4
Others – please specify Mercury, Cadmium, Chromium etc.	mg/Nm3	NA	NA

\*Above data is as per air emission monitoring requirement given in consent for operation

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

The details are provided below:

Parameter	Unit	FY24	FY23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6,604	6,159
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,09,781	2,42,867
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent / INR Crore revenue	19.22	23.97
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent / INR Crore revenue	439.75	548.43
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd



**8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

The company has demonstrated a commitment to enhancing its renewable infrastructure and prioritizing energy efficiency. This dedication is evident in the company's strategic upgrading of process technology, the implementation of efficient production scheduling, and the execution of a variety of energy-saving initiatives.

**Renewable Energy Initiatives:**

The company commissioned a renewable power infrastructure with a capacity of 62 MW. This initiative resulted in the avoidance of 67,104 tons of CO2 emissions in the fiscal year 2023-24.

**Energy Efficiency Projects by ARE&M:**

ARE&M has spearheaded several projects aimed at promoting energy efficiency, including:

- Improvement of the heater control system for lead pots
- Conversion of V-belt drive to direct coupling in FA/FE Systems
- Automation of the cooling tower process pump by providing Variable Frequency Drives (VFD)
- Replacement of old conventional chargers with Insulated Gate Bipolar Transistor (IGBT) chargers
- Installation of High-Volume Low-Speed (HVLS) axial fans in finishing areas
- Replacement of conventional lights with energy-efficient LED lights
- Upgradation of oven control panels with IGBT technology
- Installation of an automatic descaling system for acid chillers

- Elimination of dumper washing tunnel blowers in line 1
- Interlinking of FA System with respect to production lines
- Manual alternation of street lighting switch-on in the North and South sides
- Implementation of timer-based lighting control (6.00 PM to 06.00 AM)
- Reduction of skin temperature in lead melting pots
- Replacement of conventional motors with Brushless DC (BLDC) motors in HVAC Air Handling Units (AHUs)
- Downgrading of the finishing line 2 conveyor motor from 2Hp to 1Hp
- Improvement of power factor at the Sub-Distribution Board (SDB) level
- Replacement of pneumatic vibrators with electrical vibrators
- Installation of occupancy sensors for stores, charger rooms, formation tubs, and other utility buildings to control lighting energy
- Replacement of Air-Operated Double Diaphragm (AODD) pumps with energy-efficient Electrically Operated Double Diaphragm (EODD) pumps in the Effluent Treatment Plant (ETP)
- Installation of a VFD for the treated water transfer pump at ETP with a capacity of 20 hp
- Reduction of compressed air leaks in the shop floor
- Optimization of energy usage in curing and drying ovens

The company continues to endeavor for excellence in its operations, setting a benchmark in the industry for environmental responsibility.

**9. Provide details related to waste management by the Company, in the following format:**

The required details are provided below:

Parameter	FY24	FY23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	1349.63	2540
E-waste (B)	7.23	2.6
Bio-medical waste (C)	0.28	0.25
Construction and demolition waste (D)	0	0
Battery waste (E)	4084.41	5095.58
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	16541.16	16508

Parameter	FY24	FY23
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5012.06	5004.8
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>26994.77</b>	<b>29151</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	2.39	2.80
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	54.68	64.06
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	25,405	27,823
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>25,405</b>	<b>27,823</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	38.56	12.1
(ii) Landfilling	1,551.13	1,316
(iii) Other disposal operations	-	-
<b>Total</b>	<b>1,589.69</b>	<b>1,328</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd

**10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

ARE&M has established a comprehensive waste management system, prioritizing the recycling and disposal of waste materials. This system involves the use of third-party contractors for regulated disposal. The categorization of solid waste into hazardous and non-hazardous types is a key aspect of this system. Established procedures are followed to collect and store waste in designated bins.

The production plant features a temporary storage area for solid waste, equipped with appropriate signage and preventive measures to avoid pollution and leakage. Hazardous waste is managed in accordance with the Hazardous Waste Management Rule, 2020. Authorized agencies oversee the transportation of hazardous waste, and a waste registry is maintained to ensure proper handling.

Non-hazardous waste, including scrap paper, plastic packaging, and metals, is directed to authorized recyclers.

- Plastics:** it utilizes recyclable stretch film of suitable thickness for web sealing packing. The generated plastic waste is sent exclusively to authorized recyclers. A significant portion of the plastic components used in batteries are recycled. The recycling of plastics, particularly packaging, is an ongoing initiative as part of the plastic waste management standards.
- E-waste:** ARE&M adheres to E-waste regulations by ensuring that the generated E-waste is directed only to authorized recyclers.
- Biomedical waste:** It is managed in line with the Bio-medical Waste Management Rules, and a record of the waste is maintained in a waste registry.

Under the banner of Lead Optimization, most of the lead used by ARE&M is sourced from recycled batteries. This practice minimizes the mining of lead and its associated toxicological effects. The R&D division is actively engaged in several internal projects aimed at increasing material efficiency and reducing the consumption of lead and acid in batteries. These projects fall broadly under the research area of lead optimization.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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Not applicable

Note: ARE&M does not conduct any activities or operations in areas that are considered ecologically sensitive

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Yes, ARE&M is in adherence to all relevant environmental laws, regulations, and guidelines.

**Leadership Indicators -**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area – Not Applicable. According to CGWA classification, our manufacturing units are not located in ‘Critical’ or ‘Over-exploited’ area.
- (ii) Nature of operations –
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY24	FY23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	-	-
<b>Water intensity per rupee of turnover</b> ((Water consumed / turnover)	-	-
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-



Parameter	FY24	FY23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

## 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY24	FY23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4,05,699	4,00,948
<b>Total Scope 3 emissions per rupee of turnover</b>	Metric tons of CO <sub>2</sub> equivalent/Cr	36.02	38.61

Note: Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, Bureau Veritas Industrial Services (India) Pvt. Ltd

## 3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

- Not applicable. ARE&M does not conduct any activities or operations in areas that are considered ecologically sensitive.

## 4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water flow meters	Installed irreversible electromagnetic water flow meters	Monitor, measure and reduce the water consumption
2	Upgradation of ETP	ABD1 ETP was upgraded for better efficacy	Better treatment and meeting discharge standards
3	Zero Liquid Discharge (ZLD)	Zero Liquid Discharge (ZLD)	Zero water discharge
4	Process automation	VFD installation at several pumps AHU belt drive to BLDC controlled	Reduction in electricity consumption & GHG emissions
5	Reducing auxiliary electricity consumption	Occupancy sensors installation Timer based switches on all DCS lighting Replacing conventional light with LED	Reduction in electricity consumption & GHG emissions
6	Energy efficiency initiatives	As mentioned above in Principle 6 under section 7	Improvement in energy intensity

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, a comprehensive Business Continuity Plan (BCP) has been meticulously designed by ARE&M, encompassing three pivotal areas: human resources, physical facilities, and critical IT infrastructure.

A detailed “shock playbook” has been crafted, outlining strategies to tackle various emergency scenarios and business risks. Proactive measures for disaster management have been implemented to ensure the upkeep of critical facilities, applications, and infrastructure, including domain and email servers.

In an effort to minimize the impact of potential disasters and expedite the restoration of operations, applications have been replicated to a disaster recovery site, and regular backup processes have been put in place. Network devices and links are maintained with high availability, reinforcing business continuity.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

In the entire value chain of ARE&M, no significant negative environmental impact has been identified. However, proactive measures have been implemented to ensure that procurement policies foster environmentally friendly and responsible practices. The commitment at ARE&M is to adhere to all relevant environmental laws and regulations in the regions of operation and sourcing of materials, products, and services.

High environmental standards are set for suppliers and franchises, surpassing local regulatory requirements, to protect the environment. It is recognized that the scope and nature of operations of suppliers may vary, and hence, the specific environmental principles applied may differ.

In alignment with the commitment to sustainability, all suppliers are strongly encouraged to identify the sources of their emissions, including CO2, other greenhouse gases, Sox, NOx, and particulate matter as applicable.

**7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?**

- 70.19%

**Principle 7:**



**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicator:**

- 1. a. Number of affiliations with trade and industry chambers/associations.**
  - > The Company is a member of 11 trade and industry chambers/ associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)	State
3	Federation of Indian Export Organisation (FIEO)	National
4	Engineering Export Promotion Council (EEPC)	National
5	Employers' Federation of Southern India (EFSI)	National
6	Recycling and Environment Industry Association of India	National

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
7	IESA - Indian Energy Storage Alliance	National
8	Auto Component Manufacturers Association(ACMA)	National
9	Indian Battery Manufacturers Association (IBMA)	National
10	United Nations Global Compact	International
11	World Economic Forum (WEF)	International

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.**

Name of the authority	Brief of the case	Corrective action taken
There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.		

### Leadership Indicators

**1. Details of public policy positions advocated by the Company:**

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
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ARE&M does not maintain a distinct policy on "Public Advocacy". Instead, policy advocacy efforts are undertaken through representation in 11 trade and industry chambers/associations. Of these, eight have a national scope, one operates at the state level, and two have international footprint. These affiliations facilitate active participation in the shaping of policies pertinent to the energy storage and other areas impacting the organization. The industry associations encompass the Indian Battery Manufacturing Association, Auto Component Manufacturers Association, Recycling and Environment Association of India, Confederation of Indian Industries (CII) at the national level, and United Nations Global Compact (UNGC) & World Economic Forum (WEF) at the global level. Engagement with statutory authorities on regulatory policies is also part of the process.

### Principle 8:



**Businesses should promote inclusive growth and equitable development.**

#### Essential Indicator:

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable



**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount sent on R&R activities during FY 2023-24 (In INR)
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No Rehabilitation and Resettlement projects are on-going at ARE&M

**3. Describe the mechanisms to receive and redress grievances of the community.**

- A formal process for managing community grievances has been put into place. This process delineates the steps to be taken upon receipt of written or verbal complaints or grievances pertaining to operations and/or contractors. The design of this process ensures that all complaints and grievances are addressed in a manner that is culturally sensitive, respectful, timely, and consistent. Moreover, CSR personnel are actively involved in collecting feedback and suggestions from the communities on-site to address any raised concerns. This mechanism enables the receipt, acknowledgement, assessment, assignment, investigation, and response to all community grievances.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY24	FY23
Directly sourced from MSMEs/small producers	21%	32%
Directly from Within India	51%	43%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY24	FY 23
Rural	-	-
Semi-urban	-	-
Urban	71.24%	71.49%
Metropolitan	28.76%	28.51%

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
--	-------------------------

No Social Impact Assessments (SIA) were required to be done in the current financial year

**2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District	Amount spent (In INR)
---------	-------	-----------------------	-----------------------

ARE&M's current Corporate Social Responsibility (CSR) initiatives do not include any specific aspirational districts



**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No) –**

Procurement decisions at ARE&M, pertaining to goods and services, are grounded in merit. Significant resources are invested to enhance capabilities within the local supplier base and individuals from marginalized or vulnerable groups.

**(b) From which marginalized/vulnerable groups do you procure? –**

We procure from small and medium-sized enterprises (SMEs), minority-owned businesses, SC / ST and Economically Backward Entrepreneurs. Women-owned businesses, and enterprises owned by previously disadvantaged individuals.

**(c) What percentage of total procurement (by value) does it constitute? –**

At present, the system for value estimation is not in place.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:**

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects:**

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Quality Education to Rural Children Amara Raja Vidyalayam Karakambadi-1995 (ARVK) Amara Raja Vidyalayam Diguamagham-2016(ARVD) Mangal Vidyalayam Petamitta-2001(MVP) (No of students benefitted:4,718 Students passingout after course completion: 3,875)	4718	80%
2	Skilling Rural Youth with free of cost(2014) Amara Raja Skill Development Centre(ARSDC) -Petamitta (1533 students benefitted including 423 Girls)	1533	100%
3	Primary Health Services to Rural Areas (Outpatients 17163 and no of diagnostics (lab tests) 14190)	17163	100%
4	Social Forestry and Environment (around 71,000 saplings have been planted 12 Tribal families employed)	12	100%
5	Rural Infrastructure Development (2 Villages - Petamitta and Diguamagham)	2	100%
6	Water (Construction of Checkdams and Lakes Deepenening) (60 Villages,12 Panchayats Population)	21674	100%

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
7	Community Support Programs Marriage Hall at Chowdepalli Bus shelter at Chenganapalli Toilet Facilities- Govt School , Gadanki Public Roads Auditorium -Govt School Pakala Electric Crematorium , Tirupati)	2 schools & 3 villages	100%

### Principle 9:



Businesses should engage with and provide value to their consumers in a responsible manner

#### Essential Indicator:

##### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

ARE&M holds customer satisfaction in the highest regard, prioritizing the resolution of customer complaints with transparency and efficiency. A systematic mechanism is in place to record and address grievances pertaining to products, quality, service, warranty, and other relevant aspects.

Active engagement with customers during service calls allows the company to capture feedback. This feedback is instrumental in refining the company's offerings and services.

To further support customer engagement, the company has implemented the following mechanisms:

**AMCARE:** This initiative ensures that support is available to customers at every moment. With 24x7 service centers, the company ensures seamless battery replacements, installations, and servicing. A toll-free number is available for customers to register complaints and seek resolution for their queries. Additionally, it offers free battery inspections, providing health reports for batteries in use by customers.

**AMARON KONNEKT:** This application, developed exclusively for the company's esteemed channel partners and customers, enhances the customer experience by digitalizing product records. The app also facilitates query resolution for customers, among other supportive features.

##### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100



## 3. Number of consumer complaints in respect of the following:

Number of consumer complaints in respect of the following:	FY24		Remarks	FY23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at the end of the year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services		NIL	no incidents observed		NIL	
Restrictive Trade Practices						
Unfair Trade Practices						
Other*	19	17		10	31	-

\* Regular service requests from consumers for battery replacements under warranty period are governed by our warranty policy and are not considered as complaints. Revised number considers complaints lodged in consumer forum during the year.

## 4. Details of instances of product recalls on account of safety issues:

Case Details	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

## 5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

- Yes. In alignment with the ISO 27001 framework, ARE&M has established a robust Information Security Policy and Data Protection Policy. These policies are securely hosted on the company's internal servers, ensuring that all internal stakeholders have seamless access.

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

- Not Applicable

## 7. Provide the following information relating to data breaches:

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	0
b. Percentage of data breaches involving personally identifiable information of customer	0
c. Impact, if any, of the data breaches	NIL

## Leadership Indicators

### 1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).

- Information relating to all the products provided by the Company are available on the Company's website.
- <https://www.amararajaeandm.com/Business/Automotive>
- <https://www.amararajaeandm.com/Industrial/>

### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- Awareness Initiatives: The Company has headed numerous awareness and advertisement campaigns addressing the hazards of Lead. These include messages printed on warranty cards that guide customers to dispose of end-of-life products at designated collection centers, and campaigns promoting the safe disposal of Used Lead Acid Batteries (ULABs).
- Product Information Accessibility: Every product label from the company carries essential information for safe and responsible usage. This includes operating and maintenance guidelines, cautionary details, and instructions for end-of-life disposal.
- Amaron Konnekt: This mobile application serves as a digital companion for ARE&M's customers. It provides easy access to a comprehensive list of "do's & don'ts" for the safe and responsible usage of products.

### 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

- The dedicated teams for sales and customer support maintain a consistent stream of communication. This ensures that customers are informed about any potential issues or disruptions.

### 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)

- Yes, ARE&M, as a responsible corporate entity, ensures that product information is displayed in accordance with all mandated local laws and even beyond. The labels on ARE&M's products are comprehensive, providing information on safe and responsible usage, along with recycling and disposal attributes. This practice is consistent across all jurisdictions where ARE&M's products are sold.
- Understanding the importance of its customers as key stakeholders, ARE&M conducts customer satisfaction surveys. The feedback obtained from these surveys is not merely collected, it is meticulously analysed. This analysis serves as a valuable resource for enhancing the quality of ARE&M's products and services, thereby ensuring a superior customer experience. This approach underscores company's commitment to its customers, treating them not just as consumers, but as valued members of its corporate journey. This human-centric approach distinguishes ARE&M, transforming it from a mere company into a community that values and respects its members.



# Annexure V

## Annual Report on Corporate Social Responsibility (CSR)

(As per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

### 1. A brief outline of the CSR Policy

CSR Policy of the Company focuses on Education, Health, Environment and Rural Development.

The activities under the Education include primary, secondary and higher education, skill development of rural youth, providing scholarships to underprivileged, meritorious students and also promoting preventive healthcare activities.

### 2. Composition of the CSR Committee:

S. No	Members of the Committee	Designation / Nature of Directorship	Meetings held in Member's tenure	Meetings attended
1	Mr. Jayadev Galla	Chairman, Executive Director	2	1
2	Mr. T R Narayanaswamy	Member, Independent Director	2	2
3	Mr. N Sri Vishnu Raju	Member, Independent Director	2	2

3. Provide the web link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

CSR Policy	<a href="https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility">https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility</a>
CSR Committee	<a href="https://www.amararajaeandm.com/Investors/committe-of-board">https://www.amararajaeandm.com/Investors/committe-of-board</a>
CSR Projects	<a href="https://www.amararajaeandm.com/Home/beyond-businesses">https://www.amararajaeandm.com/Home/beyond-businesses</a>

4. Provide the executive summary along with the web-link(s) of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Impact Assessment to evaluate the effectiveness of our eligible projects and have completed one year or more of implementation was conducted in FY23. The said report is available at [https://www.amararajaeandm.com/Files/AnnualGeneralMeetingFiles/2023/ARBL\\_Impact%20Assessment%20Report%20FY23.pdf](https://www.amararajaeandm.com/Files/AnnualGeneralMeetingFiles/2023/ARBL_Impact%20Assessment%20Report%20FY23.pdf)

The Company will take impact assessment of the projects as and when required.

- 5.

S. No	Particulars	Details
5(a)	Average net profit of the company as per sub-section (5) of section 135	₹840.12 crores
5(b)	Two percent of the average net profit of the company as per sub-section (5) of section 135.	₹16.80 crores
5(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
5(d)	Amount required to be set-off for the financial year, if any	Nil
5(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	₹16.80 crores

- 6.

S. No	Particulars	Details
6(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹16.80 crores
6(b)	Amount spent in Administrative Overheads.	Nil
6(c)	Amount spent on Impact Assessment, if applicable.	Nil
6(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	₹16.80 crores



6(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the financial year FY 2023-24	Amount unspent (₹)				
	Total amount transferred to unspent CSR account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹16.80 crores	Nil	NA	NA	Nil	NA

6(f) Excess amount for set-off, if any

S. No	Particulars	Details
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹16.80 crores
(ii)	Total amount spent for the Financial Year	₹16.80 crores
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	₹0.27 crores
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: (Yes/No): No

If Yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
-----	-----	-----	-----	-----	-----	-----	-----

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

**For and on behalf of the Board of Directors**

**Jayadev Galla**

Chairman, Managing Director & CEO

Chairman of the CSR Committee

DIN: 00143610

Place: New Delhi

Date: May 28, 2024

# Annexure VI

## Form No. AOC-2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014)**

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

- There are no contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.
- Details of material contracts or arrangements or transactions at an arm's length basis

(a) Name(s) of the related party and nature of the Relationship	Name	Mangal Industries Limited ("MIL")
	Relationship	Promoter of the Company, Owned and Controlled by Promoters of the Company. Wholly Owned Subsidiary of RNgalla Family Private Limited, Promoter of the Company.
(b) Nature of contracts/ arrangements/ transactions	Income:	Sale of goods, interest income, other recoveries and sharing of expenses.
	Expenses:	Purchase of materials, plastic components, storage racks and sharing of expenses.
(c) Duration of the contracts / arrangements/ transactions	On-Going and based on the requirements	
(d) Salient terms of the contracts or arrangements or transactions including the value if any*	Based on transfer pricing guidelines	

\*The members at the annual general meeting held on August 14, 2021, authorized the Board (including Committees of the Board) to enter into transactions with MIL up to Rs. 1,500 crores in a financial year and all the appropriate approvals of the Board/Audit Committee have been taken for entering into transactions with MIL. Advances paid if any have been adjusted against invoices wherever applicable. Please refer to the notes forming part of the financial statements for further information on transactions with MIL.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: May 28, 2024

**Jayadev Galla**  
Chairman, Managing Director & CEO  
DIN: 00143610

## Annexure VII

### INFORMATION UNDER SECTION 134(3)(m) OF THE ACT READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND FORMS PART OF THE BOARD'S REPORT:

#### A. Conservation of Energy

##### (i) the steps taken or impact on the conservation of energy

The Company continued its focused energy conservation efforts through up-gradation of process technology, effective production scheduling and various energy saving initiatives including the installation of energy-efficient equipment. Few initiatives are mentioned below.

- Effective scheduling of equipment for increasing capacity utilization
- Chargers' cooling fans automation during idle running
- Optimum utilization of DE System by timing control
- Replacement of centrifugal blowers with BLDC fans for FA systems
- Optimization of pressure settings in air compressor
- Improved heater controls for lead melting pots
- Oven cycle time optimization
- Optimizing chillers temperature set points in the process.
- Occupancy sensors in Formation tub area \ HRS \ utility rooms
- Replacement of blowers with BLDC fans in Charger room AHUs
- Replacement of old \ Rewound motors with IE3\4 motors
- Regular monitoring of compressor air leakages and arresting in the plants
- Oven Control Panels Upgradation with latest technology
- Process optimization by providing drives with feedback system.
- Replacement of old air compressor with VSD based compressor.
- Conveyor motor size optimization wherever possible
- Replacement of old chargers with IGBT chargers
- Replacement of conventional lights with LED lights
- Replacement of AODD pumps with energy EOOD pump in ETP
- Conversion of V-belt drive to cogged teeth belt for Wet scrubbers.
- Air Compressor heat recovery system
- Replacement of pneumatically operated vibrators with electrically operated vibrators
- Demand reduction through power factor improvement
- Reduction of Lead pot skin temperature by advanced insulation systems

##### (ii) The Steps taken by the company for utilising alternate sources of energy

###### Renewable energy initiatives:

- Successfully commissioned additional 2.57MW roof top Solar generation plant, taking overall renewable energy capacity of ARE&M to 62 MW.
- Avoided 67,100 Tons of CO<sub>2</sub> emissions on account of all renewable energy installations of ARE&M during 2023-24

###### Benefits out of energy conservation measures:

- Cost saving of ₹52 Mn with energy conservation projects in the plants.
- Avoided 6,874 Tons of CO<sub>2</sub> emissions on account of various energy conservation initiatives within the manufacturing plants of ARE&M

##### (iii) Capital investment on energy conservation initiatives:

- ₹ 8.3 Cr for roof top solar project
- ₹ 2.7 Cr for other energy conservation projects inside the plant.



## B. Technology Absorption

### 01. Specific Areas in which Technology Development is carried out by the Company.

The 'Technology' activities of the Organization are categorized under three broad areas of focus:

- Product Technology
- Manufacturing Engineering
- Research & Analysis

The Technology projects are identified to address the following specific objectives:

- Development of import substitution in materials and products.
- Exploration of environmentally friendly operations/ materials.
- Manufacturing Technology up-gradation to make the batteries robust and high-end performers.
- Material/Process development activities for enhancing battery performance and cost-efficiency.
- New product development for emerging applications.
- Research on New Energy Storage Technologies/ Non-Lead Acid Technologies.
- Technology up-gradation to make the batteries robust and high-end performer.
- Value engineering efforts for product improvements.

### 02. Benefits derived as a result of the above Technology Projects

- Small VRLA Product for Global UPS OEM: Refined & Successfully launched product based on unique needs and preferences of Global customers and market segments delivering maximum value.
- Breakthrough Stamped Grid Technology for VRLA UPS: Validated and ready to launch, Integrated cutting-edge plate manufacturing technology specifically tailored for enhancing the performance and reliability of UPS system.
- Advanced New Lead Acid Technologies: Promising advancements made in advanced lead acid and alternate chemistry storage

technologies signifying our commitment to pushing the boundaries of energy storage.

- BCI & Marine Range; Expanding into New Geographies: Aimed to establish a strong foothold in the global market, developed & launched BCI, Marine products for automotive and marine applications.
- Next Gen AGM Product for Hybrid Vehicle Versions: Engineered for Hybrid vehicle applications, caters to the specific needs of modern vehicles ensuring optimal performance in stop-and-go driving conditions.
- Breakthrough Product: Launched Auxiliary battery featuring Multi-Stamp Grid Technology, meets new age electric vehicle test requirements, reliability, and performance.
- Enhanced Throughput by optimizing the curing and drying process for 2-Wheeler and 4Wheeler battery negative plates.
- Developed Optimized Re-Charging Process to reduce conversion cost of UPS & 2Wheeler batteries.
- Developed Novel Bush Plug Design to enable two shot formation process of DIN battery to enhance throughput and Energy Conservation.
- Developed New Process by Quick Recirculation acid system to eliminate additional charge process & enhance consistency in flooded automotive battery.
- Improved Reliability through enhanced Process controls by Continuous & Statistical Weight controls, Advanced leak testing, Unique formation method (higher shelf life) to meet the needs of global customers.
- Engineered Innovative negative additive material formulation, designed to meet the dynamic needs of the 4Wheeler automotive batteries.
- Developed Most Compatible Material & process to improve mechanical strength of commercial LAB, tailored for high-vibration applications.
- Implemented Re-engineered Poly as a key achievement of our sustainability initiative.

### 03. Future Plan of Action

- Roll out of Product range for UPS application with Advanced Plate Making Technology.

- Introduction of High-Power series tailored for Data Centre application in LVRLA footprint.
- Advanced lead acid product development initiatives through collaborative efforts.
- Introduction of Durability Enhanced NextGen EFB (Enhanced Flooded batteries) for automotive ISS applications.
- Developing New variants of Auxiliary Batteries for Electric Vehicle application.
- Expansion of market specific BCI product range in AGM.
- Development of Lawn & Garden product range.
- Enhancing plant throughput by standardization of Chemset process in 4Wheeler batteries.
- Improvement of UPS battery process performance by new unique pasting process step.
- Implementation of new process with compatible material to enhance mechanical strength in commercial batteries to enhance durability.
- Optimization of formation process cycle time to improve the productivity in UPS batteries.
- Implementation of new energy efficient (higher productive) and advanced formation equipment for tubular battery plant.
- Study on eco-friendly and advanced post building process for manufacturing robustness.
- Implementation of digital interventions into the cell developmental cycle, considering advanced multi-scale modeling platforms.
- Study & Implementation of Sustainable Raw material sourcing strategy for automotive batteries.
- Develop optimized PE separator to improve performance and meet customer specific requirements.

- Develop & introduce advanced application dynamic premix expander formulations for 4Wheeler Automotive batteries.
- Implementation of novel & sustainable material formulation for flame-retardant grades (PP) in line with global regulations/directives.

#### **04. Technology absorption, adaptation, and innovation**

##### **i. Efforts in brief, made towards technology absorption, adaptation, and innovation.**

- Advanced New Lead Acid Technologies: Promising advancements made in advanced lead acid and alternate chemistry storage technologies signifying our commitment to pushing the boundaries of energy storage.
- Engineered Innovative negative additive material formulation, designed to meet the dynamic needs of the 4Wheeler automotive batteries.

##### **ii. Benefits derived as a result of above efforts:**

- Cost reduction
- Environmental protection
- Energy conservation
- Enhanced performance and reliability of the product
- Enhanced market share
- Customer Satisfaction
- Penetration into newer markets
- Intellectual Property rights
- Sustainable development

## iii. Information regarding Imported Technology

(a) Technology Imported	Nil
(b) Year of Import	Not Applicable
(c) Has the technology been fully absorbed?	Not Applicable
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Not Applicable

## C. Expenditure on Research and Development

(Amount in ₹ crore)

S. No	Parameter	2023-24	2022-23
1	Capital	7.17	5.05
2	Recurring	9.57	12.12
	<b>Total</b>	<b>16.74</b>	<b>17.17</b>

## Foreign Exchange earnings and outgo

(Amount in ₹ crore)

S. No	Parameter	2023-24	2022-23*
1	Foreign exchange used	1,342.05	1,330.16
2	Foreign exchange earned	1,348.43	1,245.41

\*Restated





# Annexure VIII

## Information pursuant to Section 197 Of the Act read with Rule 5 (1) Of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

- a. **The Ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any for the financial year 2023-24:**

S. No	Name of the Director/Key Managerial Personnel	Designation	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration
<b>Non-Executive Directors</b>				
1.	Mr. N Sri Vishnu Raju	Independent Director	5.81	122.08%
2.	Mr. T R Narayanaswamy	Independent Director	5.88	140.28%
3.	Ms. Bhairavi Tushar Jani	Independent Director	5.54	129.58%
4.	Mr. Annush Ramasamy	Independent Director	5.61	153.85%
<b>Executive Directors</b>				
1.	Mr. Jayadev Galla	Chairman, Managing Director & CEO	2151.22	20.28%
2.	Mr. Harshavardhana Gourineni	Executive Director	1075.61	20.28%
3.	Mr. Vikramadithya Gourineni	Executive Director	1075.61	20.28%
<b>Key Managerial Personnel</b>				
1.	Mr. Y Delli Babu	Chief Financial Officer	45.44	31.86%
2.	Mr. Vikas Sabharwal	Company Secretary	34.30	33.02%

- b. **The percentage increase in the median remuneration of employees in the financial year:** 4.70%
- c. **The number of permanent employees on the rolls of the Company:** 9313
- d. **Average percentile 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:**

The average increase in the salaries of employees other than the managerial personnel was 9.59%. The remuneration of the Managing Director and Executive Directors is linked to the commission based on the profits of the Company.

- e. **Affirmation that the remuneration is as per the remuneration policy of the company:**

It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: May 28, 2024

**Jayadev Galla**  
Chairman, Managing Director & CEO  
DIN: 00143610

# Independent Auditors' Report

**To The Members of Amara Raja Energy & Mobility Limited  
(Formerly known as Amara Raja Batteries Limited)  
Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of **Amara Raja Energy & Mobility Limited** (formerly known as Amara Raja Batteries Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended on that date, and notes to financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the

Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Emphasis of Matter

We draw attention to Note 47 of the Standalone financial statements, which describes the effects of a Scheme of Arrangement approved by National Company Law Tribunal which became effective from February 1, 2024. As stated in the said Note, the Scheme has been given effect to from April 1, 2022 i.e. appointed date in accordance with the MCA's General Circular 9/2019 dated 21 August 2019. Accordingly, the comparative information for the year ended March 31, 2023 included in the Standalone financial statements have been restated.

Our conclusion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
1	<p><b>Revenue Recognition</b></p> <p>Refer Note 2 (N) "Revenue Recognition" of the Standalone Financial Statements under Material Accounting Policies. and key accounting estimates and judgements.</p> <p>Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per terms of the contracts with customers.</p> <p>The timing of revenue recognition is relevant as there is a risk of revenue being recorded before control is transferred.</p>	<p>We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under:</p>

Sr. No.	Key Audit Matter	Auditors' Response
		<ul style="list-style-type: none"> <li>● Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> <li>● Evaluating the integrity of the general information and technology ('IT') control environment and testing the operating effectiveness of key IT application controls.</li> <li>● Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>● Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>● Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</li> <li>● Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> </ul>
2	<p><b>Provision for warranty obligations</b></p> <p>Refer Note 2 (D) (i) under Material accounting policies and key accounting estimates and judgements for use of estimates and judgements in relation to provision for warranty obligations and Note 42 of the Standalone Financial Statements.</p> <p>The Company estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.</p> <p>Because of the quantitative significance, complexity and level of judgement involved, there is a risk of inaccurate and inadequate provision for warranty obligation.</p>	<p>We carried out a combination of principal audit procedures involving test of internal controls and substantive testing including:</p> <ul style="list-style-type: none"> <li>● Understanding the warranty claims process, evaluating the design and implementation of Company's controls in respect of warranty provisioning.</li> <li>● Testing the operating effectiveness of these controls during the year.</li> <li>● Carrying out reconciliations with the sales data to determine completeness of transactions on which warranty obligation is determined.</li> <li>● Reviewing contracts with customers for terms of warranty contained therein and the estimation of warranty provision on the basis of these terms.</li> <li>● Testing of the data and assumptions used in the calculation of the provision for warranty obligations including those relating to estimates of failure percentages, etc.</li> <li>● Testing documentation relating to actual warranty replacement and an analysis of the actual failure trend with the estimates used in determining future warranty obligation.</li> </ul>



## Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Annexures to the Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / payable by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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.
  - iv.(a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies),

including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.

As stated in the Note 44 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For BRAHMAYYA & Co.**  
Chartered Accountants  
(F.R.N: 000513S)

**Karumanchi Rajaj**  
Partner  
Membership No. 202309  
UDIN: 24202309BKERNP1888

Hyderabad, May 28, 2024

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(F.R.N: 117366W/W- 100018)

**R. Prasanna Venkatesh**  
Partner  
Membership No. 214045  
UDIN: 24214045BKEKKL2349

Chennai, May 28, 2024

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Financial Statements





# Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

**Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to standalone financial statements of **Amara Raja Energy & Mobility Limited** (formerly known as Amara Raja Batteries Limited) (“the Company”) as at March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

## Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone

financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material

respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For BRAHMAYYA & Co.

*Chartered Accountants*  
(F.R.N: 000513S)

#### Karumanchi Rajaj

*Partner*  
Membership No. 202309  
UDIN: 24202309BKERNP1888

Hyderabad, May 28, 2024

#### For DELOITTE HASKINS & SELLS LLP

*Chartered Accountants*  
(F.R.N: 117366W/W- 100018)

#### R. Prasanna Venkatesh

*Partner*  
Membership No. 214045  
UDIN: 24214045BKEKKL2349

Chennai, May 28, 2024

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Financial Statements — ↓

# Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Some of the property, plant and equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment, capital work-in-progress and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / Government orders provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of Property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross Carrying value	Carrying value in the financial statements				
Freehold land located at Karakambadi, Andhra Pradesh	₹ 77.84 crores	₹ 77.84 crores	Mangal Industries Limited	No	1 year	The title deeds are in the name of Mangal Industries Limited, erstwhile Company part of which was demerged with the Company under the Companies Act in terms of the approval of the Hon’ble National Company Law Tribunal. Refer Note 3.1 and Note 3.2 of the Standalone Financial Statements
Leasehold land located at Amara Raja Growth Corridor, Chittoor	₹ 25.85 crores	₹ 25.85 crores				

- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, the goods have been received subsequent to the year-end. No discrepancies



of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/ alternate procedures performed as applicable, when compared with the books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters, and no material discrepancies have been observed.

- (iii) (a) The Company has provided loans during the year and details of which are given below:

(₹ in crores)		
	Loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	100.00	750.00
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	100.00	750.00

- (b) The investments made, guarantees provided and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company has granted loans payable on demand. During the year, the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below).
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year.
- (f) The Company has granted Loans or advances in the nature of loans which are repayable on demand details of which are given below:

(₹ in crores)	
	Related Parties
Aggregate of loans repayable on demand	100.00
Percentage of loans to the total loans	100%

- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amounts involved (₹ crores)	Amount unpaid (₹ crores)
VAT Laws	VAT	Appellate Authority upto Commissioner level	2012-13 to 2017-18	3.94	3.67
		Tribunal	2007-08 to 2015-16 and 2017-18	4.16	2.31
Sales Tax Laws	Sales Tax	Deputy Commissioner, Commercial taxes	2004-05	0.09	0.09
		Tribunal	2007-08	0.14	-
Entry Tax Laws	Entry Tax	Appellate Authority upto Commissioner level	2010-11 to 2011-12 and 2013-14	0.20	0.05
Income-tax Act, 1961	Income-tax	Tribunal	2008-09 2017-18 2019-20 to 2021-22	25.08	16.44
Central Excise Act, 1944	Excise Duty	Tribunal	2015-16	7.06	6.79
		Supreme Court	2003-04 to 2007-08	0.96	-
Finance Act, 1994	Service tax	Tribunal	2004-05 to 2017-18	79.40	77.69
GST Laws	Goods and Services tax	Appellate Authority upto Commissioner level	2017-18 to 2020-21 and 2022-23	10.76	9.86
Customs Act, 1962	Custom Duty	Appellate Authority upto Commissioner level	2021-22	0.01	-
		Tribunal	2017-18 to 2019-20	2.97	2.97
Wealth-tax Act, 1957	Wealth-tax	Tribunal	2010-11 to 2011-12	0.38	0.36

Out of the total disputed dues aggregating ₹ 135.15 crores as above, ₹ 120.23 crores have been stayed for recovery by the relevant authorities.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and, hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) We report that the Company has neither taken any funds from any entity or person during the year, nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and, hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and, hence, reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and, hence, reporting under clause (x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and, hence, reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2023 and the draft of the internal audit reports were issued after the balance sheet date covering the period January 2024 to March 2024 for the period under audit.
- (xv) In our opinion during the year, the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a), (b), (c) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any Core Investment Company ('CIC') as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provisions of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For BRAHMAYYA & Co.**

Chartered Accountants  
(F.R.N: 000513S)

**Karumanchi Rajaj**

Partner  
Membership No. 202309  
UDIN: 24202309BKERNP1888

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(F.R.N: 117366W/W- 100018)

**R. Prasanna Venkatesh**

Partner  
Membership No. 214045  
UDIN: 24214045BKEKKL2349

Hyderabad, May 28, 2024

Chennai, May 28, 2024



# Standalone Balance Sheet

as at March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>A ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3.1	2,708.26	2,836.93
(b) Right-of-use assets	3.2	364.42	356.50
(c) Capital work-in-progress	3.1	319.59	233.49
(d) Goodwill	4 (a)	427.99	427.99
(e) Other intangible assets	4 (b)	49.62	66.81
(f) Intangible assets under development	4 (b)	2.06	0.76
(g) Financial assets			
(i) Investments	5	1,214.15	462.24
(ii) Other financial assets	7	10.37	115.78
(h) Income-tax assets (net)	20	11.26	1.50
(i) Other non-current assets	11	177.57	108.25
<b>Total non-current assets</b>		<b>5,285.29</b>	<b>4,610.25</b>
<b>Current Assets</b>			
(a) Inventories	8	1,809.54	1,675.19
(b) Financial assets			
(i) Investments	5	264.97	23.77
(ii) Loans	6	100.00	88.71
(iii) Trade receivables	9	1,017.07	779.67
(iv) Cash and cash equivalents	10 (a)	89.22	89.44
(v) Bank balances other than (iv) above	10 (b)	15.25	10.39
(vi) Other financial assets	7	92.37	322.10
(c) Other current assets	11	160.60	114.51
(d) Assets classified as held for sale	22	-	223.28
<b>Total current assets</b>		<b>3,549.02</b>	<b>3,327.06</b>
<b>Total assets</b>		<b>8,834.31</b>	<b>7,937.31</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	12	18.30	17.08
(b) Other equity	13	6,750.35	5,988.56
<b>Total equity</b>		<b>6,768.65</b>	<b>6,005.64</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	25.99	80.01
(ii) Lease liabilities	15	73.23	63.50
(b) Provisions	16	160.96	133.52
(c) Deferred tax liabilities (net)	17	88.49	103.62
(d) Other non-current liabilities	21	59.07	63.54
<b>Total non-current liabilities</b>		<b>407.74</b>	<b>444.19</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	27.34	31.05
(ii) Lease liabilities	15	26.11	26.79
(iii) Trade payables	18	-	-
- Total outstanding dues of Micro enterprises and small enterprises		30.44	20.15
- Total outstanding dues of creditors other than Micro enterprises and small enterprises		809.39	731.20
(iv) Other financial liabilities	19	320.50	247.20
(b) Provisions	16	131.36	141.38
(c) Other current liabilities	21	312.78	266.30
(d) Liabilities directly associated with assets classified as held for sale	22	-	23.41
<b>Total current liabilities</b>		<b>1,657.92</b>	<b>1,487.48</b>
<b>Total equity and liabilities</b>		<b>8,834.31</b>	<b>7,937.31</b>

Corporate information

Material accounting policies and key accounting estimates and judgements

1

2

See accompanying notes to the standalone financial statements

**In terms of our report attached**

**For Brahmayya & Co.**  
Chartered Accountants  
(F.R.N : 000513S)

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(F.R.N : 117366W/W-100018)

**Karumanchi Rajaj**  
Partner  
M. No. 202309

**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

**Jayadev Galla**  
Chairman & Managing Director  
DIN: 00143610

**Harshavardhana Gourineni**  
Executive Director  
DIN: 07311410

Place: New Delhi  
Date: May 28, 2024

Place: Hyderabad  
Date: May 28, 2024

**Vikramadithya Gourineni**  
Executive Director  
DIN: 03167659

**Delli Babu Y**  
Chief Financial Officer

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Income</b>			
I Revenue from operations	23	11,260.30	10,389.71
II Other income	24	101.54	89.66
<b>III Total Income (I+II)</b>		<b>11,361.84</b>	<b>10,479.37</b>
<b>IV Expenses</b>			
Cost of materials consumed		6,496.69	6,458.54
Purchases of stock-in-trade		1,208.64	487.29
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(171.19)	52.23
Employee benefits expense	26	699.44	651.10
Finance costs	27	33.17	29.60
Depreciation and amortization expense	28	478.72	450.40
Other expenses	29	1,405.34	1,305.52
<b>Total Expenses</b>		<b>10,150.81</b>	<b>9,434.68</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>1,211.03</b>	<b>1,044.69</b>
VI Exceptional items (net)	31	-	47.65
<b>VII Profit before tax (V - VI)</b>		<b>1,211.03</b>	<b>997.04</b>
<b>VIII Tax expense</b>			
(i) Current tax	30	319.13	262.04
(ii) Deferred tax (net)		(13.96)	4.29
<b>Tax expense</b>		<b>305.17</b>	<b>266.33</b>
<b>IX Profit for the year (VII - VIII)</b>		<b>905.86</b>	<b>730.71</b>
<b>X Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss :			
(a) Remeasurements of the defined benefit plans		(8.02)	4.15
(b) Net fair value gain / (loss) on investments in financial instruments through Other Comprehensive Income (net of tax)		1.82	104.91
<b>Total Other Comprehensive Income</b>		<b>(6.20)</b>	<b>109.06</b>
<b>XI Total comprehensive income for the year (IX + X)</b>		<b>899.66</b>	<b>839.77</b>
<b>Earnings per share (of ₹ 1 /- each)</b>			
Basic and Diluted (₹)	37	49.49	39.92
Corporate information	1		
Material accounting policies and key accounting estimates and judgements	2		

See accompanying notes to the standalone financial statements

**In terms of our report attached**

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(F.R.N : 000513S)

**For Deloitte Haskins & Sells LLP**  
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**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

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Place: New Delhi  
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Date: May 28, 2024

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Executive Director  
DIN: 03167659

**Delli Babu Y**  
Chief Financial Officer

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

# Stand-alone Cash Flow Statement

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>A. Cash flows from operating activities</b>		
Profit before tax	1,211.03	997.04
<b>Adjustments for:</b>		
Depreciation and amortisation expense	478.72	450.40
Loss on sale of property, plant and equipment / written off	3.59	15.39
Exceptional item (net) [Refer Note 31]	-	47.65
Gain on de-recognition of Right-of-use assets	(0.14)	(0.38)
Finance costs	33.17	29.60
Interest income on bank deposits and loans	(11.03)	(7.48)
Dividend income	(0.00)	(0.00)
Gain on disposal of mutual fund units	(17.82)	(12.35)
Deferred revenue recognised	(12.30)	(15.70)
Net gain arising on financial assets mandatorily measured at FVTPL	(2.75)	(0.16)
Liabilities no longer required written back	(11.35)	(0.80)
Provision for doubtful trade receivables written back	(1.60)	(2.85)
Provision for doubtful trade receivables	0.15	1.18
Provision for doubtful trade receivables and other receivables	-	3.36
Bad trade receivables written off (net)	0.40	0.99
Net unrealised foreign exchange gain / (loss)	0.13	(6.77)
	459.17	502.08
<b>Operating profit before working capital changes</b>	<b>1,670.20</b>	<b>1,499.12</b>
<b>Movements in working capital</b>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
- Trade receivables	(274.15)	(96.96)
- Inventories	64.94	(91.89)
- Other assets	(25.76)	(77.83)
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
- Trade payables	97.99	(66.47)
- Other liabilities	114.16	15.18
- Provisions	(4.29)	31.38
	(27.11)	(286.59)
<b>Cash generated from operations</b>	<b>1,643.09</b>	<b>1,212.53</b>
Income taxes paid (net)	(328.89)	(256.30)
<b>Net cash generated from operating activities [A]</b>	<b>1,314.20</b>	<b>956.23</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(442.32)	(465.85)
Proceeds from sale of property, plant and equipment	2.23	1.16
Insurance proceeds [Refer Note 31]	117.93	-
Investment in wholly-owned subsidiaries	(520.00)	(200.00)
Purchase consideration on business combination [Refer Note 48]	(133.00)	-
Purchase of non-current investments	-	(77.82)
Purchase of current investments	(2,999.00)	(2,519.75)
Proceeds from sale / redemption of current investments	2,778.37	2,543.22
Proceeds from sale of new energy business [Refer Note 22]	223.96	-
Proceeds from sale of non-current investments	-	0.03
Loans given	(100.00)	(79.80)
Bank balances not considered as cash and cash equivalents (net)	(5.03)	8.49
Interest received	4.90	1.14
Dividend income	0.00	0.00
<b>Net cash used in investing activities [B]</b>	<b>(1,071.96)</b>	<b>(789.18)</b>



# Standalone Cash Flow Statement (Contd.)

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>C. Cash flows from financing activities</b>		
Repayment of borrowings	(57.73)	(11.06)
Repayment of lease liabilities	(29.33)	(26.65)
Finance costs (including on lease liabilities)	(18.75)	(16.13)
Dividend paid	(136.65)	(58.08)
<b>Net cash used in financing activities [C]</b>	<b>(242.46)</b>	<b>(111.92)</b>
<b>Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>	<b>(0.22)</b>	<b>55.13</b>
Cash and cash equivalents at the beginning of the year	89.44	34.31
<b>Cash and cash equivalents at the end of the year</b>	<b>89.22</b>	<b>89.44</b>
(Refer Note 10 (a))		

**Notes:**

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flows.

**(b) Reconciliation of liabilities from financing activities for the year ended March 31, 2024**

	As at March 31, 2023 [Restated]	Acquisition upon business combination [Refer Note 47]	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2024
Borrowings	111.06	-	(57.73)	-	53.33
Lease liabilities	90.29	-	(36.72)	45.77	99.34
<b>Total</b>	<b>201.35</b>	<b>-</b>	<b>(94.45)</b>	<b>45.77</b>	<b>152.67</b>

**Reconciliation of liabilities from financing activities for the year ended March 31, 2023 [Restated]**

	As at March 31, 2022	Acquisition upon business combination [Refer Note 47]	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2023 [Restated]
Borrowings	23.39	98.73	(11.06)	-	111.06
Lease liabilities	102.50	-	(34.17)	21.96	90.29
<b>Total</b>	<b>125.89</b>	<b>98.73</b>	<b>(45.23)</b>	<b>21.96</b>	<b>201.35</b>

See accompanying notes to the standalone financial statements

**In terms of our report attached**

**For Brahmayya & Co.**  
Chartered Accountants  
(F.R.N : 000513S)

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(F.R.N : 117366W/W-100018)

**For and on behalf of the Board of Directors**

**Jayadev Galla**  
Chairman & Managing Director  
DIN: 00143610

**Harshavardhana Gourineni**  
Executive Director  
DIN: 07311410

Place: New Delhi  
Date: May 28, 2024

Place: Hyderabad  
Date: May 28, 2024

**Karumanchi Rajaj**  
Partner  
M. No. 202309

**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

**Vikramadithya Gourineni**  
Executive Director  
DIN: 03167659

**Delli Babu Y**  
Chief Financial Officer

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

Place: Hyderabad  
Date: May 28, 2024

# Standalone Statement of changes in equity

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

**A) Equity share capital**

	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>17.08</b>	<b>17.08</b>
Changes in equity share capital during the year	1.22	-
<b>Balance at the end of the year</b>	<b>18.30</b>	<b>17.08</b>

**B) Other equity**

	Share application money pending allotment	Reserves and surplus				Equity investments through other comprehensive income	Total
		Securities premium	Capital reserve*	General reserve	Retained earnings		
<b>Balance at March 31, 2022</b>	-	<b>31.19</b>	<b>0.00</b>	<b>633.72</b>	<b>3,873.18</b>	<b>(3.78)</b>	<b>4,534.31</b>
Profit for the year	-	-	-	-	730.71	-	730.71
Other comprehensive income / (loss) for the year, net of income tax	-	-	-	-	4.15	104.91	109.06
<b>Total comprehensive income for the year 2022-23</b>	-	-	-	-	<b>734.86</b>	<b>104.91</b>	<b>839.77</b>
Shares pending allotment pursuant to business combination (Refer Note 47)	672.56	-	-	-	-	-	672.56
Payment of dividends [Refer Note 44]	-	-	-	-	(58.08)	-	(58.08)
Transfer for General reserve	-	-	-	69.44	(69.44)	-	-
<b>Balance at March 31, 2023 [Restated]</b>	<b>672.56</b>	<b>31.19</b>	<b>0.00</b>	<b>703.16</b>	<b>4,480.52</b>	<b>101.13</b>	<b>5,988.56</b>
Profit for the year	-	-	-	-	905.86	-	905.86
Other comprehensive income for the year, net of income tax	-	-	-	-	(8.02)	1.82	(6.20)
<b>Total comprehensive income for the year 2023-24</b>	-	-	-	-	<b>897.84</b>	<b>1.82</b>	<b>899.66</b>
Issue of equity shares pursuant to business combination [Refer Note 47]	(672.56)	671.34	-	-	-	-	(1.22)
Payment of dividends [Refer Note 44]	-	-	-	-	(136.65)	-	(136.65)
Transfer for General reserve	-	-	-	90.59	(90.59)	-	-
<b>Balance at March 31, 2024</b>	-	<b>702.53</b>	<b>0.00</b>	<b>793.75</b>	<b>5,151.12</b>	<b>102.95</b>	<b>6,750.35</b>

\* Amounts below ₹ 1 Lakh

See accompanying notes to the standalone financial statements

**In terms of our report attached**

**For Brahmayya & Co.**  
Chartered Accountants  
(F.R.N : 000513S)

**For Deloitte Haskins & Sells LLP**  
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**Karumanchi Rajaj**  
Partner  
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**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

**Jayadev Galla**  
Chairman & Managing Director  
DIN: 00143610

Place: New Delhi  
Date: May 28, 2024

**Vikramadithya Gourineni**  
Executive Director  
DIN: 03167659

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

**Harshavardhana Gourineni**  
Executive Director  
DIN: 07311410

Place: Hyderabad  
Date: May 28, 2024

**Delli Babu Y**  
Chief Financial Officer

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## 1. Corporate Information

Amara Raja Energy & Mobility Limited [formerly known as Amara Raja Batteries Limited] ("the Company") is one of the largest manufacturers of lead-acid storage batteries for industrial and automotive applications in India. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The Company's products are supplied to customer groups viz., Telecom, Railways, Power Control, Solar and UPS under Industrial Battery business; and to Automobile OEMs, Replacement Market and Private Label Customers under Automotive Battery business. The Company's products are exported to various countries in the Indian Ocean Rim. The Company also provides installation, commissioning and maintenance services. The leading automotive and industrial battery brands of the Company are Amaron®, PowerZone®, Power Stack®, AmaronVolt® and Quanta®.

The Board of Directors of the Company have approved a change in name of the Company from Amara Raja Batteries Limited to Amara Raja Energy & Mobility Limited. The new name, conveys the Company's commitment to becoming a leader in the energy and mobility sector. It accurately represents current business activities and future aspirations to strengthen market position, enhance brand value, and capitalize on new opportunities.

The change in name of the Company was approved by the shareholders of the Company on August 12, 2023. The Company has also received a fresh certificate of incorporation from the Ministry of Corporate Affairs dated September 27, 2023.

## 2. Material Accounting Policies and Key Accounting Estimates and Judgements

### A. Statement of compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

### B. Basis of preparation and presentation

These financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained

in the accounting policies set out below. These financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

### C. Operating Cycle

All assets have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### D. Key accounting estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

#### i) Provision for warranty

The Company estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.

## ii) Useful lives of Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

## iii) Fair value measurement of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. For certain investments in equity instruments, where more recent information to measure fair value is insufficient, or there is a wide range of possible fair value measurements, cost is considered as the best estimate of fair value. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

## (iv) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by independent valuation experts.

## (v) Impairment of Goodwill

Goodwill are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

## vi) Income Taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

## vii) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the financial statements.

## viii) Insurance Receivable

The amount expected to be reimbursed against a provision is recognised as a separate asset, but only when it is determined to be virtually certain in accordance with the accounting policy.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## ix) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

## E. Inventories

Inventories are stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The method of determination of cost of various categories of inventories is as follows:

- (i) **Raw materials and bought-out components, stores and spares and loose tools:** Weighted average cost. Cost includes purchase cost and other attributable expenses.
- (ii) **Finished Goods and Work-in-progress:** Weighted average cost of production which comprises direct material cost, direct wages and appropriate overheads based on normal level of activity.
- (iii) **Stock-in-trade:** Weighted average cost.

## F. Investment in subsidiaries:

Investment in subsidiaries are carried at cost less accumulated impairment, if any.

## G. Property, plant and equipment

### (i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2015 measured as per the Accounting Standards notified under the Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014, which the Company elected in accordance with Ind AS 101.

Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or the principal item of the relevant assets, whichever is lower.

Capital work-in-progress are items of property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

### (ii) Depreciation:

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act except in respect of the following category of assets, in which case the life of the assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support, etc., Freehold land is not depreciated.

Asset	Useful lives (in years)
Buildings	3-60
Plant and machinery (including electrical installations and moulds)	1-30
Solar equipment	25
Furniture and fixtures	5-10
Vehicles	3-10
Office equipment	3-5
Computers	3-6

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate and accounted for on a prospective basis.

Assets individually costing ₹ 5,000 and below are fully depreciated in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

and the carrying amount of the asset and is recognised in the Statement of Profit and Loss when the asset is de-recognised.

## H. Business combinations

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value except deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at the acquisition date

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Company after assessing fair value of all identified assets and liabilities, record the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

The transaction costs, other than costs relating to the issue of equity or debt securities in connection with a business combination are expensed as incurred.

## I. Goodwill and Other Intangible assets

Goodwill acquired in a business combination is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, in accordance with Ind AS 103.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit

and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Intangible assets that have a finite lives are amortised over their estimated useful lives as per the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, but the effect of any change in estimates being accounted for on a prospective basis.

Intangible assets comprising software are amortised over a period of 5 years. The amortisation period for technical know-how has been assessed as 8 years, representing the period over which economic benefits from the use of technical know-how is expected to be utilized.

All intangible assets are tested for impairment. Amortisation expenses, impairment losses and reversal of impairment losses are considered in the Statement of Profit and Loss. Thus, after initial recognition an intangible asset is carried at its costs less accumulated amortization and /or impairment losses.

## J. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## K. Foreign currency transactions and translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the exchange rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

## L. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

## M. Employee benefits

### (i) Defined contribution plans

The Company's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

### (ii) Defined benefit plans

For defined benefit plans in the form of gratuity fund, administered under a scheme of the Life

Insurance Corporation of India, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The defined benefit obligations recognized in the Balance Sheet represents the present value of the defined obligations as reduced by the fair value of plan assets, if applicable. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and are not re-classified to the Statement of Profit and Loss in the subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss.

### (iii) Short term and other long term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

## N. Revenue recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

Revenue towards satisfaction of a performance obligation is measured at an amount of transaction price (net of returns and discounts) allocated to that performance obligation. The discount is estimated based on the expected value of outflow.

#### Sale of goods:

Revenue from sale of products is recognised when control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sales related warranties associated with batteries can not be purchased separately and they serve as an assurance that the products sold comply with agreed upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

#### Sale of services:

Revenue from installation, commissioning and maintenance services is recognised based on the contracts with customers and when the services are rendered by measuring progress towards satisfaction of performance obligation for such services.

#### Other Income:

Interest income is recognised using effective interest method. Dividend income is accounted for in the year when the right to receive such dividend is established and the amount of dividend can be measured reliably.

## O. Financial instruments, Financial assets, Financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Company commits to purchase or sell the asset.

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

### (i) Financial assets

**Recognition:** Financial assets include Investments, Trade receivables, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

Trade receivables, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election on an instrument by instrument basis at initial recognition may be made to present subsequent changes in fair value through other comprehensive income. This election is not permitted if the equity instrument is held for trading.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously recognized in other comprehensive income and accumulated in the "equity instruments through other comprehensive income" will not be reclassified to profit or loss on disposal of the investments.

## (ii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

## Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## P. Insurance Claim Receivable

Income from insurance proceeds is recognised when (i) it is virtually certain that a valid and adequate insurance policy exists to cover the insured event entitling the Company to a compensation as per the terms and conditions of the policy and (ii) when the amount of compensation expected to be received for a valid insurance claim made and admitted can be measured reliably. Where the final amount of such compensation is subject to final acceptance / determination by the insurance company pending completion of survey or other required activities, the amount of insurance income recognised is restricted to the amount of the loss or expenses recognised in the statement of profit and loss for the insured event. Any additional amount of compensation is recognised only on final acceptance and determination by the insurance company.

## Q. Assets classified as held for sale

The Company classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised.

## R. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether, (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## S. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### Current Tax

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from "Profit before tax" as reported in the Statement of

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income-tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

## Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## T. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking

into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

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 embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

## U. Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment.

## V. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

## W. Cash and cash equivalents

Cash and cash equivalents for purposes of cash flow statement include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## **X. Exceptional items**

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Company is treated as an exceptional item in the Statement of Profit and Loss account.

## **Y. Application of new accounting pronouncements**

The Company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2023 with effect from April 1, 2023. The effect is described as below:

- Ind AS 1 – Presentation of Financial Statements – The amendment requires disclosure of material accounting policies instead of significant accounting policies. In the Standalone financial statements the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is expected to be insignificant.
- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The amendment has defined accounting estimate as well as laid down the treatment of accounting estimate to achieve the objective set out by accounting policy. There is no impact of the amendment on the Standalone Financial Statements.
- Ind AS 12 – Income taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Standalone Financial Statements.



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 3.1: Property, plant and equipment and capital work-in-progress

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Carrying amounts of:</b>		
Freehold Land	79.08	79.08
Leasehold improvements	3.50	2.50
Buildings	717.07	740.99
Plant and Equipment (including electrical installations)	1,834.16	1,934.34
Furniture and fixtures	15.17	16.11
Vehicles	19.56	20.80
Office equipment	25.09	30.41
Computers	14.63	12.70
	<b>2,708.26</b>	<b>2,836.93</b>
Capital work-in-progress [Refer note (iii)]	319.59	233.49
	<b>319.59</b>	<b>233.49</b>

	Freehold land	Leasehold improvements	Buildings	Plant and Equipment (including electrical installations)	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>(A) Cost or deemed cost</b>									
<b>Balance at March 31, 2022</b>	<b>1.24</b>	<b>49.76</b>	<b>806.12</b>	<b>2,785.56</b>	<b>25.35</b>	<b>27.33</b>	<b>83.27</b>	<b>33.21</b>	<b>3,811.84</b>
Acquisition through business combination [Refer Note 47]	77.84	-	69.58	165.10	2.69	0.71	0.26	0.48	316.66
Additions	-	-	127.60	892.81	2.68	7.68	8.53	9.98	1,049.28
Reclassified as held for sale [Refer Note 22]	-	-	-	(21.67)	(0.16)	(1.90)	(0.26)	(0.21)	(24.20)
Disposals	-	-	(78.49)	(312.10)	(1.18)	(3.45)	(0.89)	(1.98)	(398.09)
<b>Balance at March 31, 2023 [Restated]</b>	<b>79.08</b>	<b>49.76</b>	<b>924.81</b>	<b>3,509.70</b>	<b>29.38</b>	<b>30.37</b>	<b>90.91</b>	<b>41.48</b>	<b>4,755.49</b>
Additions	-	1.10	16.73	259.09	2.11	7.77	4.35	6.79	297.94
Disposals	-	-	(4.47)	(131.72)	(0.03)	(4.24)	(0.36)	(1.09)	(141.91)
<b>Balance at March 31, 2024</b>	<b>79.08</b>	<b>50.86</b>	<b>937.07</b>	<b>3,637.07</b>	<b>31.46</b>	<b>33.90</b>	<b>94.90</b>	<b>47.18</b>	<b>4,911.52</b>
<b>(B) Accumulated depreciation and impairment</b>									
<b>Balance at March 31, 2022</b>	-	<b>47.18</b>	<b>162.92</b>	<b>1,375.96</b>	<b>11.07</b>	<b>7.98</b>	<b>52.17</b>	<b>26.97</b>	<b>1,684.25</b>
Depreciation expense	-	0.08	36.95	340.87	2.95	3.59	9.22	3.72	397.38
Reclassified as held for sale [Refer Note 22]	-	-	-	(4.93)	(0.02)	(0.47)	(0.19)	(0.08)	(5.69)
Impairment loss [Refer Note 31]	-	-	62.35	154.24	0.45	-	0.17	0.09	217.30
Eliminated on disposal	-	-	(78.40)	(290.78)	(1.18)	(1.53)	(0.87)	(1.92)	(374.68)
<b>Balance at March 31, 2023 [Restated]</b>	-	<b>47.26</b>	<b>183.82</b>	<b>1,575.36</b>	<b>13.27</b>	<b>9.57</b>	<b>60.50</b>	<b>28.78</b>	<b>1,918.56</b>
Depreciation expense	-	0.10	40.36	356.65	3.02	6.81	9.61	4.76	421.31
Eliminated on disposal	-	-	(4.18)	(129.10)	-	(2.04)	(0.30)	(0.99)	(136.61)
<b>Balance at March 31, 2024</b>	-	<b>47.36</b>	<b>220.00</b>	<b>1,802.91</b>	<b>16.29</b>	<b>14.34</b>	<b>69.81</b>	<b>32.55</b>	<b>2,203.26</b>
<b>(C) Carrying amount</b>									
<b>Balance at March 31, 2023 [Restated]</b>	<b>79.08</b>	<b>2.50</b>	<b>740.99</b>	<b>1,934.34</b>	<b>16.11</b>	<b>20.80</b>	<b>30.41</b>	<b>12.70</b>	<b>2,836.93</b>
<b>Balance at March 31, 2024</b>	<b>79.08</b>	<b>3.50</b>	<b>717.07</b>	<b>1,834.16</b>	<b>15.17</b>	<b>19.56</b>	<b>25.09</b>	<b>14.63</b>	<b>2,708.26</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Notes:

- (i) The amount of expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in-progress) in the course of construction is ₹ 4.67 crores (March 31, 2023: ₹ 14.74 crores) [Refer Note 39].
- (ii) Land admeasuring 18.94 acres amounting to ₹ 77.84 crores is registered in the name of Mangal Industries Limited, erstwhile Company from which plastic component business was demerged and merged with the Company pursuant to the Scheme of Arrangement approved by Hon'ble National Company Law Tribunal [Refer Note 47]. The aforementioned land parcel is pending registration in the name of the Company.
- (iii) Capital work-in-progress ageing schedule

### Ageing schedule as at March 31, 2024

	Amount in capital work-in-progress for a period of				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	261.72	22.96	33.94	0.97	319.59
	<b>261.72</b>	<b>22.96</b>	<b>33.94</b>	<b>0.97</b>	<b>319.59</b>

Capital-work-in progress where completion is overdue compared to its original plan:

	To be completed in				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Captive Solar Plant Expansion	37.81	-	-	-	37.81
	<b>37.81</b>	-	-	-	<b>37.81</b>

### Ageing schedule as at March 31, 2023

	Amount in capital work-in-progress for a period of				As at March 31, 2023 [Restated]
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress*	168.21	56.24	9.04	-	233.49
	<b>168.21</b>	<b>56.24</b>	<b>9.04</b>	-	<b>233.49</b>

\* There are no capital work-in-progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 3.2 : Right-of-use assets

	As at March 31, 2024		As at March 31, 2023 [Restated]			
<b>Carrying amounts of:</b>						
Leasehold land	203.94		202.70			
Buildings	142.48		135.60			
Plant and Equipment (including electrical installations)	17.65		17.84			
Office equipment	-		0.01			
Computers	0.35		0.35			
	<b>364.42</b>		<b>356.50</b>			
	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment	Computers	Total
<b>(A) Cost or deemed cost</b>						
<b>Balance at March 31, 2022</b>	<b>118.76</b>	<b>186.65</b>	<b>18.49</b>	<b>0.01</b>	<b>0.35</b>	<b>324.26</b>
Acquisition through business combination [Refer Note 47]	25.85	-	-	-	-	25.85
Additions	62.86	16.89	-	-	-	79.75
Disposals	-	(11.60)	-	-	-	(11.60)
<b>Balance at March 31, 2023 [Restated]</b>	<b>207.47</b>	<b>191.94</b>	<b>18.49</b>	<b>0.01</b>	<b>0.35</b>	<b>418.26</b>
Additions	3.73	40.40	-	-	-	44.13
Disposals	-	(20.37)	-	-	-	(20.37)
<b>Balance at March 31, 2024</b>	<b>211.20</b>	<b>211.97</b>	<b>18.49</b>	<b>0.01</b>	<b>0.35</b>	<b>442.02</b>
<b>(B) Accumulated amortisation and impairment</b>						
<b>Balance at March 31, 2022</b>	<b>2.93</b>	<b>35.69</b>	<b>0.46</b>	<b>0.00</b>	<b>0.00</b>	<b>39.08</b>
Amortisation expense	1.84	30.18	0.19	0.00*	0.00*	32.21
Eliminated on disposal	-	(9.53)	-	-	-	(9.53)
<b>Balance at March 31, 2023 [Restated]</b>	<b>4.77</b>	<b>56.34</b>	<b>0.65</b>	<b>0.00</b>	<b>0.00</b>	<b>61.76</b>
Amortisation expense	2.49	31.64	0.19	0.01	0.00*	34.33
Eliminated on disposal	-	(18.49)	-	-	-	(18.49)
<b>Balance at March 31, 2024</b>	<b>7.26</b>	<b>69.49</b>	<b>0.84</b>	<b>0.01</b>	<b>0.00</b>	<b>77.60</b>
<b>(C) Carrying amount</b>						
<b>Balance at March 31, 2023 [Restated]</b>	<b>202.70</b>	<b>135.60</b>	<b>17.84</b>	<b>0.01</b>	<b>0.35</b>	<b>356.50</b>
<b>Balance at March 31, 2024</b>	<b>203.94</b>	<b>142.48</b>	<b>17.65</b>	<b>-</b>	<b>0.35</b>	<b>364.42</b>

### Note:

Leasehold land admeasuring 15.66 acres amounting to ₹ 25.85 crores is registered in the name of Mangal Industries Limited, erstwhile Company from which plastic component business was demerged and merged with the Company pursuant to the Scheme of Arrangement approved by Hon'ble National Company Law Tribunal [Refer Note 47]. The aforementioned lease is pending to be registered in the name of the Company.

\* Amount below ₹ 1 lakh



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 4: Goodwill and Other Intangible Assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Carrying amounts of:</b>		
<b>(a) Goodwill</b>		
Goodwill [Refer Note 47 and Note (i) below]	427.99	427.99
	<b>427.99</b>	<b>427.99</b>
<b>(b) Other Intangible Assets</b>		
Technical Know-how	31.35	45.17
Software	18.27	21.64
	<b>49.62</b>	<b>66.81</b>
<b>Total (a) + (b)</b>	<b>477.61</b>	<b>494.80</b>
Intangible assets under development [Refer note (ii) below]	2.06	0.76
	<b>2.06</b>	<b>0.76</b>

	Goodwill	Technical Know-how	Software	Total
<b>(A) Cost or deemed cost</b>				
<b>Balance at March 31, 2022</b>	-	73.70	39.98	113.68
Acquisition through business combination [Refer Note 47]	-	-	1.42	1.42
Additions	427.99	-	6.91	434.90
Reclassified as held for sale [Refer Note 22]	-	-	(0.15)	(0.15)
Disposals	-	-	0.00	0.00
<b>Balance at March 31, 2023 [Restated]</b>	<b>427.99</b>	<b>73.70</b>	<b>48.16</b>	<b>549.85</b>
Additions	-	-	6.63	6.63
Disposals	-	-	(6.56)	(6.56)
<b>Balance at March 31, 2024</b>	<b>427.99</b>	<b>73.70</b>	<b>48.23</b>	<b>549.92</b>
<b>(B) Accumulated amortisation and impairment</b>				
<b>Balance at March 31, 2022</b>	-	14.91	19.24	34.15
Amortisation expense	-	13.62	7.33	20.95
Reclassified as held for sale [Refer Note 22]	-	-	(0.05)	(0.05)
Eliminated on disposal	-	-	-	-
<b>Balance at March 31, 2023 [Restated]</b>	-	<b>28.53</b>	<b>26.52</b>	<b>55.05</b>
Amortisation expense	-	13.82	9.48	23.30
Eliminated on disposal	-	-	(6.04)	(6.04)
<b>Balance at March 31, 2024</b>	-	<b>42.35</b>	<b>29.96</b>	<b>72.31</b>
<b>(C) Carrying amount</b>				
<b>Balance at March 31, 2023 [Restated]</b>	<b>427.99</b>	<b>45.17</b>	<b>21.64</b>	<b>494.80</b>
<b>Balance at March 31, 2024</b>	<b>427.99</b>	<b>31.35</b>	<b>18.27</b>	<b>477.61</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Notes:

### (i) Allocation of Goodwill to cash generating units

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash Generating Units (CGU) or groups of CGUs, which benefit from the synergies of the acquisition which is assessed primarily to be the lead acid batteries business.

The Company tests goodwill on an annual basis and whenever there is an indication that the CGU to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of disposal. Where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions, the recoverable amount is determined by value-in-use. In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable. As at March 31, 2024, based on the Company's assessment of the recoverable amount duly considering the prevailing market factors and other information related to the lead acid batteries business, no impairment indicators exist.

### (ii) Intangible assets under development ageing schedule \*

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	2.02	0.04	-	-	2.06
	<b>2.02</b>	<b>0.04</b>	-	-	<b>2.06</b>

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2023 [Restated]
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	0.76	-	-	-	0.76
	<b>0.76</b>	-	-	-	<b>0.76</b>

\* There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2024 and March 31, 2023. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

## Note 5 : Investments

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
<b>(I) Investments in equity instruments</b>		
<b>Quoted investments (fully paid) [at FVTOCI]</b>		
(i) Standard Batteries Limited 125 (March 31, 2023: 125) equity shares of ₹ 1 each *	0.00	0.00
(ii) Nicco Corporation Limited 25 (March 31, 2023: 25) equity shares of ₹ 2 each *	0.00	0.00
(iii) Exide Industries Limited 10,000 (March 31, 2023: 10,000) equity shares of ₹ 1 each	0.30	0.18
(iv) HBL Power Systems Limited 5,500 (March 31, 2023: 5,500) equity shares of ₹ 1 each	0.25	0.05
<b>Total aggregate quoted investments [A]</b>	<b>0.55</b>	<b>0.23</b>
<b>Unquoted investments (fully paid)</b>		
<b>(a) Investments in subsidiary (at cost unless stated otherwise)</b>		
(i) Amara Raja Batteries Middle East (FZE), U.A.E 2 (March 31, 2023: 2) equity shares of 1,50,000 AED each	0.57	0.57
(ii) Amara Raja Circular Solutions Private Limited 28,00,00,000 (March 31, 2023: 10,00,00,000) equity shares of ₹ 10 each	320.00	100.00

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2024	As at March 31, 2023 [Restated]
(iii) Amara Raja Advanced Cell Technologies Private Limited 40,00,00,000 (March 31, 2023: 10,00,00,000) equity shares of ₹ 10 each	400.00	100.00
(iv) Amara Raja Power Systems Limited 93,98,015 (March 31, 2023: Nil) equity shares of ₹ 10 each [Refer Note 48]	133.00	-
<b>(b) Investments in others (at FVTOCI)</b>		
(i) Indian Lead Limited 1,128 (March 31, 2023: 1,128) equity shares of ₹ 10 each *	0.00	0.00
(ii) Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2023: 1,206,000) equity shares of ₹ 10 each [also refer footnote to Note 32(i) and footnote (i) to Note 43D in respect of the investment]	-	-
(iii) Log 9 Materials Scientific Private Limited 22,524 (March 31, 2023: 22,524) equity shares of ₹ 1 each [also refer footnote (ii) to Note 43D]	51.15	51.15
(iv) Inobat AS [Formerly known as Inobat Auto AS] 53,50,114 (March 31, 2023: 1,600) equity shares of 0.25 NOK each [also refer footnote (ii) to Note 43D]	99.41	0.82
<b>Total aggregate unquoted investments [B]</b>	<b>1,004.13</b>	<b>252.54</b>
<b>Total investments in equity instruments [C = A+B]</b>	<b>1,004.68</b>	<b>252.77</b>
<b>(II) Investment in Preference Shares</b>		
<b>Unquoted investments (fully paid) [at FVTOCI]</b>		
(i) Log 9 Materials Scientific Private Limited 92,263 (March 31, 2023: 92,263) Compulsorily Convertible Preference Shares of ₹ 100 each [D] [also refer footnote (ii) to Note 43D]	209.46	209.46
<b>(III) Investments carried at amortised cost</b>		
6 years National Savings Certificates (Refer Note below) [E]	0.01	0.01
<b>Total Non-current investments [F=C+D+E]</b>	<b>1,214.15</b>	<b>462.24</b>
<b>Note:</b>		
The 6 years National Savings Certificates have been lodged as security with government departments.		
Aggregate book value of quoted investments - at cost	0.01	0.01
Aggregate market value of quoted investments	0.55	0.23
Aggregate amount of unquoted investments	1,213.59	462.00
Aggregate amount of impairment in value of investments	15.71	15.71
* Amounts below ₹ 1 lakh		
<b>Current</b>		
<b>Investments mandatorily measured at fair value through profit or loss (FVTPL)</b>		
<b>Quoted investments in mutual funds</b>		
SBI Savings Fund - Regular Plan - Growth Nil (March 31, 2023: 8,47,183.12 units of ₹ 35.41)	-	3.00
SBI Savings Fund - Direct Plan - Growth 2,52,66,647.35 units of ₹ 40.44 (March 31, 2023: 41,84,247.49 units of ₹ 37.57)	102.18	15.72
ICICI Ultra Short Term Fund - Direct Plan - Growth 74,17,186.06 units of ₹ 27.23 (March 31, 2023: Nil)	20.20	-
UTI - Ultra Short Term Fund - Direct Growth Plan 76,353.96 of ₹ 4,137.54 (March 31, 2023: 13,121.28 units of ₹ 3,848.19)	31.59	5.05
UTI Money Market Fund - Direct Growth Plan 70,895.85 units of ₹ 2,837.22 (March 31, 2023: Nil)	20.11	-
Aditya Birla Sunlife Saving Fund - Growth Direct Plan 17,95,510.63 units of ₹ 506.20 (March 31, 2023: Nil)	90.89	-



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Total Quoted investments measured at FVTPL</b>	<b>264.97</b>	<b>23.77</b>
<b>Total Current investments</b>	<b>264.97</b>	<b>23.77</b>
* Amount below ₹ 1 Lakh		
Aggregate book value of quoted investments - at cost	262.22	23.61
Aggregate market value of quoted investments	264.97	23.77

## Note 6: Loans

Measured at amortised cost

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Current</b>		
Loans to related parties [Refer Note (i) below and 36(c)]		
- Considered good - Unsecured	100.00	-
Loans to other entities [Refer Note (ii) below]		
- Considered good - Unsecured	-	88.71
<b>Total</b>	<b>100.00</b>	<b>88.71</b>

### Note:

- The Company has advanced working capital loan to Amara Raja Advanced Cell Technologies Private Limited which is repayable on demand and carries an interest of 8% p.a.
- The Company as part of its strategic initiative to venture into new energy business and EV batteries had entered into a transaction agreement with Inobat AS [Formerly known as Inobat Auto AS], Oslo Norway ('InoBat Auto') for investment by way of conditionally convertible instruments in Inobat Auto for a value of Euro 9.90 Million. Due to the conditions not being met, the investment had been classified as loan as per terms of the agreement and is recoverable within a period of 1 year from the date of initial investment along with simple interest @ 8% p.a. The parties entered into an amendment agreement dated May 5, 2023 to extend the tenure by another six months.

Subsequent to the amendment agreement, the parties entered into another amendment agreement dated October 26, 2023 to convert the principal and interest portion of the loan into equity based on the terms and conditions. Consequently, the debt instrument was de-recognised and the equity instrument has been recognised at the conversion price which is representative of the fair value.

## Note 7: Other financial assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
(a) Security deposits*	10.37	9.35
(b) Insurance claim receivable (Refer Note 31)	-	106.43
<b>Total</b>	<b>10.37</b>	<b>115.78</b>

\* Includes to related parties ₹ 4.48 crores (As at March 31, 2023: ₹ 4.48 crores)

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Current</b>		
(a) Advances to related parties:		
(i) Reimbursable expenses	12.39	26.59
(b) Security deposits	2.23	2.10
(c) Interest accruals:		
(i) Interest accrued on loans and deposits	4.17	8.91
(ii) Interest accrued on overdue trade receivables	0.03	0.02
(d) Insurance claim and other receivable (Refer Note 31)	73.55	284.48
<b>Total</b>	<b>92.37</b>	<b>322.10</b>

## Note 8: Inventories

(at lower of cost and net realisable value)

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Raw materials and bought-out components	531.46	567.98
(b) Work-in-progress	394.57	359.86
(c) Finished goods	573.74	493.45
(d) Stock-in-trade (goods purchased for resale)	195.99	139.80
(e) Stores and spares (including secondary packing material)	112.51	112.74
(f) Loose tools and others	1.27	1.36
<b>Total</b>	<b>1,809.54</b>	<b>1,675.19</b>
Raw materials includes material-in-transit	76.27	71.33

### Notes:

- (i) The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss, Notes 25 and 29. During the previous year, an amount of ₹ 199.43 crores has been recognised as loss of inventories on account of fire accident (Refer Note 31).
- (ii) The cost of inventories recognised as an expense includes ₹ 1.92 crores (during 2022-23: ₹ 3.38 crores) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil crores (during 2022-23: ₹ Nil) in respect of reversal of such write-downs.
- (iii) There are no inventories expected to be liquidated after more than twelve months.
- (iv) The mode of valuation of inventories has been stated in Note 2.E.

## Note 9: Trade receivables

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Unsecured, considered good	1,017.07	779.67
(b) Considered doubtful	1.94	2.36
	<b>1,019.01</b>	<b>782.03</b>
Less: Allowance for doubtful receivables	(1.94)	(2.36)
<b>Total</b>	<b>1,017.07</b>	<b>779.67</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Trade Receivables ageing schedule

	Not due	Outstanding for following periods from due date of payment					As at March 31, 2024
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Trade receivables - Unsecured</b>							
(i) Undisputed, considered good	895.07	121.47	0.53	-	-	-	1,017.07
(ii) Undisputed, considered doubtful	-	-	0.02	0.22	0.21	0.07	0.52
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	-	1.42	1.42
	<b>895.07</b>	<b>121.47</b>	<b>0.55</b>	<b>0.22</b>	<b>0.21</b>	<b>1.49</b>	<b>1,019.01</b>
Less: Allowance for doubtful receivables							<b>(1.94)</b>
<b>Total</b>							<b>1,017.07</b>

	Not due	Outstanding for following periods from due date of payment					As at March 31, 2023 [Restated]
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Trade receivables - Unsecured</b>							
(i) Undisputed, considered good	675.19	104.12	0.36	-	-	-	779.67
(ii) Undisputed, considered doubtful	-	-	-	1.54	0.12	0.29	1.95
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	0.28	0.13	0.41
	<b>675.19</b>	<b>104.12</b>	<b>0.36</b>	<b>1.54</b>	<b>0.40</b>	<b>0.42</b>	<b>782.03</b>
Less: Allowance for doubtful receivables							<b>(2.36)</b>
<b>Total</b>							<b>779.67</b>

### Notes:

- The average credit period for after market sales is one week and for sales to other customers is in the range of 30 - 60 days. No interest is charged on overdue receivables, except for overdue balances of related parties.
- Of the trade receivables balance, ₹ 224.58 crores (as at March 31, 2023: ₹ 150.03 crores) is due from two of the Company's large customers (March 31, 2023: one of the Company's large customer). There are no other customers who represent more than 10% of the total balance of trade receivables.
- The Company has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

### (iv) Movement in the expected credit loss allowance

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Balance at the beginning of the year	2.36	6.75
Add: Provision created during the year	0.15	1.18
Less: Reclassified as held for sale [Refer Note 22]	-	(1.33)
Less: Provision reversed / released during the year	(1.60)	(4.24)
Add: Transfer from held for sale [Refer Note 22]	1.03	-
<b>Balance at the end of the year</b>	<b>1.94</b>	<b>2.36</b>



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 10 (a): Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Balances with banks		
(i) in current accounts	21.57	43.23
(ii) in EEFC accounts	67.49	44.11
(b) Cash on hand	-	0.00*
(c) Cheques on hand	0.16	2.10
<b>Cash and cash equivalents as per the cash flow statement</b>	<b>89.22</b>	<b>89.44</b>

\*Amount below ₹ 1 Lakh

## Note 10(b): Other bank balances

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) In deposit accounts		
(i) original maturity more than 3 months but less than 12 months	1.46	6.43
(b) In earmarked accounts		
(i) Dividend accounts	2.89	3.06
(ii) Balances held as margin money against guarantees given	10.90	0.90
<b>Total</b>	<b>15.25</b>	<b>10.39</b>

## Note 11: Other assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
(a) Capital advances	90.04	42.12
(b) Capital advances to related parties	23.24	2.61
(c) Prepaid expenses	1.36	2.08
(d) Balances with government authorities	15.15	14.77
(e) Other deposits (Electricity deposits, for other utilities, etc.)	47.78	46.67
<b>Total</b>	<b>177.57</b>	<b>108.25</b>
<b>Current</b>		
(a) Contractually reimbursable expenses	3.79	4.04
(b) Commercial advances	79.07	48.22
(c) Advances to employees	1.98	0.48
(d) Balances with government authorities (Advances, GST credit and VAT credit)	26.04	20.96
(e) Prepaid expenses	21.25	14.34
(f) Other receivables (export incentives, etc.)	24.30	22.70
(g) Balance in Gratuity Fund (net of obligations) [Refer Note 34]	4.17	3.77
<b>Total</b>	<b>160.60</b>	<b>114.51</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 12: Equity share capital

	As at March 31, 2024		As at March 31, 2023 [Restated]	
	Number of shares	Amount	Number of shares	Amount
<b>(a) Authorised</b>				
Equity shares of ₹ 1/- each	20,00,00,000	20.00	20,00,00,000	20.00
<b>(b) Issued</b>				
Equity shares of ₹ 1/- each	18,72,41,364	18.72	17,50,28,500	17.50
<b>(c) Subscribed and fully paid-up</b>				
Equity shares of ₹ 1/- each	18,30,25,364	18.30	17,08,12,500	17.08
	<b>18,30,25,364</b>	<b>18.30</b>	<b>17,08,12,500</b>	<b>17.08</b>

### Notes:

#### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	Number of shares	Share capital (Amount)
<b>Balance at March 31, 2022</b>	17,08,12,500	17.08
Changes during year	-	-
<b>Balance at March 31, 2023</b>	17,08,12,500	17.08
Issue of shares during the year [Refer Note 47]	1,22,12,864	1.22
<b>Balance at March 31, 2024</b>	18,30,25,364	18.30

#### (ii) Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a face value of ₹ 1 each. Each holder of equity share is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

#### (iii) Details of equity shares held by each shareholder holding more than 5% of the equity shares:

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	%	Number of shares	%
RNGalla Family Private Limited	6,01,45,316	32.86	4,79,32,452	28.06
Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP)	-	-	2,39,13,750	14.00
Nalanda India Equity Fund Limited	1,68,80,938	9.22	1,68,80,938	9.88
Life Insurance Corporation of India	1,23,54,916	6.75	1,23,54,916	7.23

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## (iv) Details of equity shares held by promoters at the end of the year

Promoter Name	As at March 31, 2024		As at March 31, 2023		% change during the year
	Number of shares	%	Number of shares	%	
RNGalla Family Private Limited	6,01,45,316	32.86	4,79,32,452	28.06	25.48%

### Note 13: Other equity

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>(a) General reserve</b>	793.75	703.16
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
<b>(b) Capital reserve*</b>	0.00	0.00
Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.		
<b>(c) Securities premium</b>	702.53	31.19
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>(d) Equity instruments through other comprehensive income</b>	102.95	101.13
Change in fair value of equity instruments through other comprehensive income.		
<b>(e) Retained earnings</b>	5,151.12	4,480.52
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>(f) Share application money pending allotment [Refer Note 47]</b>	-	672.56
The amount represents fair value of consideration paid pursuant to business combination.		
<b>Total</b>	<b>6,750.35</b>	<b>5,988.56</b>

\*Amount below ₹ 1 Lakh



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 14: Borrowings

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
<b>Secured - at amortised cost</b>		
Term Loans from bank		
- State Bank of India [Refer Note 1 below]	25.99	70.37
<b>Unsecured - at amortised cost</b>		
Deferred Payment Liabilities		
Sales tax deferment loans [Refer Note 2 below]	-	9.64
<b>Total</b>	<b>25.99</b>	<b>80.01</b>
<b>Current</b>		
<b>Secured - at amortised cost</b>		
Term Loans from bank		
- State Bank of India [Refer Note 1 below]	17.70	24.17
<b>Unsecured - at amortised cost</b>		
Sales tax deferment loans [Refer Note 2 below]	9.64	6.88
<b>Total</b>	<b>27.34</b>	<b>31.05</b>

### Notes:

(1) Details of terms of repayment and security provided in respect of term loans from banks:

The loan is secured by hypothecation of plant and machinery of plastic component division.

Borrowings Repayable	Rate of Interest	Remaining Number of installments	Balance amount As at March 31, 2024
(a) ₹ 19.86 crores term loan repayable in 13 quarterly installments commencing from April 1, 2022	3 Months MCLR + 0.1%	5	7.52
(b) ₹ 48.87 crores term loan repayable in 18 quarterly installments commencing from January 1, 2022	6 Months MCLR + 0.1%	13	36.17

Borrowings Repayable	Rate of Interest	Remaining Number of installments	Balance amount As at March 31, 2023 [Restated]
(a) ₹ 19.86 crores term loan repayable in 13 quarterly installments commencing from April 1, 2022	3 Months MCLR + 0.1%	9	13.69
(b) ₹ 48.87 crores term loan repayable in 18 quarterly installments commencing from January 1, 2022	6 Months MCLR + 0.1%	17	50.85
(c) ₹ 30 crores term loan repayable in 48 quarterly installments commencing from March 15, 2024	6 Months MCLR + 0.1%	48	30.00

Pursuant to the business combination approved by Hon'ble National Company Law Tribunal which is effective from February 1, 2024, term loans transferred to the Company are pending to be transferred in the name of the Company. Subsequent to the Balance Sheet date, the term loan has been transferred in the name of the Company.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

(2) The interest free sales tax deferment loans were availed by the Company under the Government of Andhra Pradesh TARGET 2000 New Industrial Policy as per which the loans are repayable at the end of the 14th year from the year in which these loans were availed. The Company has also entered into agreements with the Deputy Commissioner of Commercial Taxes, Chittoor in respect of the aforementioned loans as per which the repayment schedule of the loans have been determined as being repayable at the end of the 14th year from the month in which these loans were availed. The Management is however of the view that these loans are repayable at the end of the 14th year from the year in which these loans were availed in terms of the sanction of these loans by the Government of Andhra Pradesh, Commissionerate of Industries and are accordingly making an yearly repayment of these loans.

## Note 15: Lease Liabilities\*

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
Lease liabilities	73.23	63.50
<b>Total</b>	<b>73.23</b>	<b>63.50</b>
<b>Current</b>		
Lease Liabilities	26.11	26.79
<b>Total</b>	<b>26.11</b>	<b>26.79</b>

\* Also refer Note 38

## Note 16 : Provisions

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
<b>Employee benefits</b>		
- Compensated absences	26.50	24.03
<b>Other provisions</b>		
- Product warranty [Refer Note 42]	134.46	109.49
<b>Total</b>	<b>160.96</b>	<b>133.52</b>
<b>Current</b>		
<b>Employee Benefits</b>		
- Compensated absences	6.86	5.45
<b>Other provisions</b>		
- Product warranty [Refer Note 42]	124.50	135.93
<b>Total</b>	<b>131.36</b>	<b>141.38</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 17: Deferred tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023 [Restated]
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The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :

(a) Deferred tax assets	18.12	9.28
(b) Deferred tax liabilities	(106.61)	(112.90)
<b>Total</b>	<b>(88.49)</b>	<b>(103.62)</b>

2023-2024 Deferred tax (liabilities) / assets in relation to :	Opening balance	Adjustment on account of business combination [Refer Note 47]	Recognised in profit and loss	Transfer from held for sale [Refer Note 22]	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(76.41)	-	5.77	(0.33)	-	(70.97)
Financial assets measured at fair value	(36.49)	-	(0.65)	-	1.50	(35.64)
Provision for doubtful receivables	1.06	-	(0.57)	-	-	0.49
Provision for employee benefits	8.22	-	3.75	-	-	11.97
Others	-	-	5.66	-	-	5.66
	<b>(103.62)</b>	<b>-</b>	<b>13.96</b>	<b>(0.33)</b>	<b>1.50</b>	<b>(88.49)</b>

2022-2023 Deferred tax (liabilities) / assets in relation to :	Opening balance	Adjustment on account of business combination [Refer Note 47]	Recognised in profit and loss	Reclassified as held for sale [Refer Note 22]	Recognised in other comprehensive income	Closing balance [Restated]
Property, plant and equipment	(45.04)	(32.50)	0.49	0.64	-	(76.41)
Financial assets measured at fair value	5.32	-	(5.32)	-	(36.49)	(36.49)
Provision for doubtful receivables	1.70	-	(0.64)	-	-	1.06
Provision for employee benefits	6.65	0.67	1.18	(0.28)	-	8.22
	<b>(31.37)</b>	<b>(31.83)</b>	<b>(4.29)</b>	<b>0.36</b>	<b>(36.49)</b>	<b>(103.62)</b>

## Note 18: Trade payables

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Total outstanding dues of Micro enterprises and small enterprises [Refer Note 33]	30.44	20.15
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	809.39	731.20
	<b>839.83</b>	<b>751.35</b>

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# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Trade Payables ageing schedule

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2024
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	30.44	-	-	-	-	30.44
(ii) Other than MSME	533.46	108.74	3.56	1.33	3.63	650.72
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	158.67	-	-	-	-	158.67
	<b>722.57</b>	<b>108.74</b>	<b>3.56</b>	<b>1.33</b>	<b>3.63</b>	<b>839.83</b>

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2023 [Restated]
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	20.15	-	-	-	-	20.15
(ii) Other than MSME	480.10	94.88	1.68	0.38	3.38	580.42
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	150.78	-	-	-	-	150.78
	<b>651.03</b>	<b>94.88</b>	<b>1.68</b>	<b>0.38</b>	<b>3.38</b>	<b>751.35</b>

## Note 19: Other financial liabilities

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Current</b>		
(a) Unpaid dividends	2.89	3.06
(b) Interest accrued and due on borrowing	-	0.68
(c) Other payables:		
(i) Payables on purchase of property, plant and equipment	76.79	63.98
(ii) Others (employee related, others) [Refer Note below]	240.82	179.48
<b>Total</b>	<b>320.50</b>	<b>247.20</b>

### Note:

Other liabilities includes employees related payables (including payable to Chairman & Managing Director and Executive Directors), commission payable to Other Directors, outstanding liabilities for incentives and trade schemes, etc.

## Note 20: Income tax assets /liabilities (net)

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-Current</b>		
Advance tax / TDS receivable (net of provisions)	11.26	1.50
<b>Total</b>	<b>11.26</b>	<b>1.50</b>
<b>Current</b>		
Income tax payable (net of advance tax)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 21: Other liabilities

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	59.07	63.54
<b>Total</b>	<b>59.07</b>	<b>63.54</b>
<b>Current</b>		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	11.51	10.95
(b) Statutory remittances (GST, PF, VAT, TDS, etc.)	112.07	77.35
(c) Advances from customers	53.60	66.76
(d) Accruals relating to trade promotion schemes	135.60	111.24
<b>Total</b>	<b>312.78</b>	<b>266.30</b>

### Note:

The deferred revenue of ₹ 70.58 crores (March 31, 2023: ₹ 74.49 crores) arises primarily as a result of duty benefit received on import of plant and equipment under Export Promotion Capital Goods (EPCG) schemes of the Government of India. It also includes subsidy received on lease of immovable property from State Industries Promotion Corporation of Tamil Nadu. The deferred revenue will be recognised in the Statement of Profit and Loss in the proportion of depreciation charged on such assets.

## Note 22: Assets classified as held for sale

Pursuant to approval granted by the Board of Directors at their meeting held on January 25, 2023, the Management entered into a Business Transfer Agreement (BTA), as amended with Amara Raja Advanced Cell Technologies Private Limited ("ARACT"), a wholly-owned subsidiary of the Company for sale/transfer of the New Energy Business of the Company as a going concern on a slump sale basis, for a consideration of ₹ 223.96 crores representing the net assets sold/transferred on June 1, 2023. The gain/loss on account of this transaction is ₹ Nil.

	As at June 1, 2023	As at March 31, 2023 [Restated]
<b>(a) Assets classified as held for sale:</b>		
Property, plant and equipment	18.71	18.51
Capital work-in-progress	0.39	1.01
Intangible assets	0.09	0.10
Other non-current assets	0.16	0.17
Inventories	58.19	58.05
Trade receivables	150.82	110.78
Other current assets	26.52	34.66
<b>Total</b>	<b>254.88</b>	<b>223.28</b>
<b>(b) Liabilities directly associated with assets classified as held for sale:</b>		
Non-current provisions	14.38	12.75
Deferred tax liabilities (net)	0.05	0.36
Trade payables	6.65	7.15
Other financial liabilities	5.92	2.55
Current provisions	-	0.22
Other current liabilities	3.92	0.38
<b>Total</b>	<b>30.92</b>	<b>23.41</b>
<b>Net assets [a -b]</b>	<b>223.96</b>	<b>199.87</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 23: Revenue from operations

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
a. Sale of products (Refer Note (i) below)	11,160.34	10,291.77
b. Sale of services (Refer Note (ii) below)	45.29	45.28
c. Other operating revenues (Refer Note (iii) below)	54.67	52.66
<b>Total</b>	<b>11,260.30</b>	<b>10,389.71</b>
<b>Notes:</b>		
<b>(i) Sale of products comprises:</b>		
<b>Manufactured goods</b>		
- Storage batteries	9,845.12	9,701.63
<b>Sub-total - Sale of manufactured goods</b>	<b>9,845.12</b>	<b>9,701.63</b>
<b>Traded goods</b>		
- Storage batteries and Components	1,153.97	451.50
- Home UPS	161.25	138.64
<b>Sub-total - Sale of traded goods</b>	<b>1,315.22</b>	<b>590.14</b>
<b>Total - Sale of products</b>	<b>11,160.34</b>	<b>10,291.77</b>
<b>(ii) Sale of services comprise:</b>		
- Installation and Commissioning	6.51	7.50
- Operational maintenance services including annual maintenance	23.57	21.51
- Others (subject and other matters experts, service charges, etc.)	15.21	16.27
<b>Total - Sale of services</b>	<b>45.29</b>	<b>45.28</b>
<b>(iii) Other operating revenues comprise:</b>		
- Sale of process scrap	4.70	6.76
- Export benefits (including RoDTEP, Duty Drawback & EPCG benefits) [Refer Note (iv) below]	49.97	45.90
<b>Total - Other operating revenues</b>	<b>54.67</b>	<b>52.66</b>
<b>(iv)</b> Includes ₹ 12.30 crores (for the year ended March 31, 2023: ₹ 15.70 crores) recognised as income in proportion to the depreciation charged to the Statement of Profit and Loss. [Refer Note 21]		
<b>(v) Reconciliation of gross revenue with the revenue from contracts with customers:</b>		
Gross Revenue	11,593.43	10,737.49
Less: Incentives and Discounts	(387.80)	(400.44)
<b>Net revenue recognised from Contracts with Customers</b>	<b>11,205.63</b>	<b>10,337.05</b>
<b>(vi) Geographical information</b>		
The Company operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Company are situated within India.		
India	9,791.50	9,151.94
Outside India	1,468.80	1,237.77
<b>Total</b>	<b>11,260.30</b>	<b>10,389.71</b>

Refer to Note 43 on Financial Instruments and related disclosures for information on revenue from major customers.



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 24: Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>a) Interest income</b>		
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	2.21	0.94
- Other financial assets carried at amortised cost	0.22	0.44
- Unwinding of discounts on rental deposits	0.28	0.23
	<b>2.71</b>	<b>1.61</b>
<b>b) Dividend income</b>		
(i) Dividend from equity investments designated as at FVTOCI *	0.00	0.00
*Amount below ₹ 1 Lakh	<b>0.00</b>	<b>0.00</b>
<b>c) Other non-operating income</b>		
(i) Interest income on loans and other deposits	11.49	9.05
(ii) Sale of non process scrap	8.20	9.97
(iii) Liabilities no longer required written back	11.35	0.80
(iv) Provision for doubtful trade receivables written back	1.60	2.85
(v) Others	16.05	11.71
	<b>48.69</b>	<b>34.38</b>
<b>d) Other gains and losses</b>		
(i) Gain on disposal of mutual fund units	17.82	12.35
(ii) Net foreign exchange gains	29.43	40.78
(iii) Net gain arising on financial assets mandatorily measured at FVTPL [Refer Note below]	2.75	0.16
(iv) Gain on de-recognition of Right of Use asset	0.14	0.38
	<b>50.14</b>	<b>53.67</b>
<b>Total (a+b+c+d)</b>	<b>101.54</b>	<b>89.66</b>

**Note:** The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value. [Refer Note 5]

## Note 25: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Inventories at the beginning of the year</b>		
Finished goods - storage batteries	493.45	505.33
Work-in-progress	359.86	451.08
Stock-in-trade		
- Storage batteries	97.95	58.69
- Home UPS	41.85	43.89
	<b>993.11</b>	<b>1,058.99</b>
<b>Inventories at the end of the year</b>		
Finished goods - storage batteries	573.74	493.45
Work-in-progress	394.57	359.86
Stock-in-trade		
- Storage batteries	150.12	97.95
- Home UPS	45.87	41.85
	<b>1,164.30</b>	<b>993.11</b>
Reclassified as held for sale (Refer Note 22) [C]	-	13.65
<b>(Increase) / Decrease in finished goods, work-in-progress and stock-in-trade [A-B-C]</b>	<b>(171.19)</b>	<b>52.23</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 26: Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) Salaries and wages	572.99	523.13
(b) Contribution to provident and other funds [Refer Note 34]	50.27	46.28
(c) Staff welfare expenses	76.18	81.69
<b>Total</b>	<b>699.44</b>	<b>651.10</b>

## Note 27: Finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) Interest costs:		
(i) Interest on term loan	6.84	7.52
(b) Other borrowing costs:		
(i) Unwinding of discounts on warranty provision [Refer Note 42]	15.10	13.28
(ii) Interest on leases liabilities [Refer Note 38]	7.39	7.52
(iii) Others	3.84	1.28
<b>Total</b>	<b>33.17</b>	<b>29.60</b>

## Note 28: Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Depreciation of property, plant and equipment (including on right-of-use assets) [Refer Note 3.1 and 3.2]	455.64	429.59
Amortisation of intangible assets [Refer Note 4]	23.30	20.95
Less: Depreciation capitalised to property, plant and equipment/ capital work-in-progress	(0.22)	(0.14)
<b>Total</b>	<b>478.72</b>	<b>450.40</b>

## Note 29: Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Consumption of stores and spares (including packing material)	148.86	150.83
Tools consumed	1.05	1.28
Power and fuel	280.55	341.77
Rent	3.58	3.60
Repairs and maintenance		
- Plant and machinery	16.96	18.33
- Buildings	6.29	5.62
- Others	11.60	11.22
Insurance	58.41	15.33
Rates and taxes	25.11	7.04
Communication	2.85	2.64
Travelling and conveyance	33.23	25.26
Outward freight and handling charges	303.44	287.95
Advertisement and sales promotion	69.90	39.43
Expenditure on Corporate Social Responsibility (Refer Note 45)	16.80	16.08
Legal and professional	52.92	29.37

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Payment to auditors [Refer Note below]	1.42	1.32
Bad trade receivables written off	0.40	2.38
Less : Provision released	-	(1.39)
	0.40	0.99
Provision for doubtful trade receivables	0.15	1.18
Provision for doubtful advances and other receivables	-	3.36
Loss on sale of property, plant and equipment (net) / written off	3.59	15.39
Warranty expenses (net)	202.20	181.62
Service expenses	32.28	32.95
Printing and stationery	2.68	1.94
Miscellaneous expenses	131.07	111.02
<b>Total</b>	<b>1,405.34</b>	<b>1,305.52</b>

**Note:** Payment to auditors comprise (net of GST)

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) To statutory auditors		
- Statutory audit fee	1.03	0.90
- Limited review fee	0.20	0.20
- Tax audit fee	0.05	0.05
- Certification fee	0.04	0.08
- Reimbursement of expenses	0.05	0.04
(b) To cost auditor for cost audit	0.05	0.05
	<b>1.42</b>	<b>1.32</b>

## Note 30: Income tax recognised in profit or loss

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Current Tax</b>		
In respect of the current year	317.80	261.98
In respect of the prior years	1.33	0.06
<b>Total</b>	<b>319.13</b>	<b>262.04</b>
<b>Deferred Tax</b>		
In respect of the current year	(13.96)	4.29
<b>Total</b>	<b>(13.96)</b>	<b>4.29</b>
<b>Total income tax expense recognised</b>	<b>305.17</b>	<b>266.33</b>



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Profit before tax</b>	1,211.03	997.04
Income tax expense calculated at 25.168% (2022-23 : 25.168%)	304.79	250.94
Tax effects of amounts which are not deductible in determining taxable profit	5.39	15.85
Impact of deferred tax in relation to taxes of earlier years	(5.49)	-
Effect of concessions and allowances	(0.85)	(0.52)
Effect of taxation of prior year	1.33	0.06
<b>Income tax expense recognised in profit or loss</b>	<b>305.17</b>	<b>266.33</b>

**Note:** The tax rate used for the year 2023-2024 and 2022-2023 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

## Note 31: Exceptional items

On January 30, 2023, a fire broke out at one of the manufacturing facilities of the Company at Chittoor, Andhra Pradesh which caused damage to the Company's property, plant and equipment and inventories. There were no loss of lives. The Company recognised a loss of ₹ 438.56 crores arising from such incident for the year ended March 31, 2023.

The Company had a valid mega all risk insurance policy covering the fire accident and lodged a claim with the Insurance Company for losses suffered on account of the property, plant and equipment, inventories and loss of profits. The Insurance Company admitted the claim based on an interim survey carried out by the surveyor appointed by it and the extent of final loss admissible under the policy is being evaluated by the surveyor. The Company estimated and recognised an insurance claim receivable in respect of the claim in accordance with its accounting policy. The aforementioned losses and the corresponding credit arising from the insurance claim receivable were presented on a net basis under Exceptional items for the year ended March 31, 2023.

During the year ended March 31, 2024, the Company has received an adhoc payment of ₹ 224.13 crores from the Insurance Company and has realised ₹ 100.13 crores from processing and/or sale of scrap. The Company is confident of realizing the balance amount on final determination of the loss and completion of the related activities.

## Note 32: Contingent liabilities and commitments

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>(i) Contingent Liabilities (to the extent not provided for) :</b>		
Claims against the Company not acknowledged as debt		
<b>Matters under dispute:</b>		
- Excise duty / Service tax	86.80	63.58
- Sales tax/VAT and GST	22.28	9.70
- Income tax	24.92	23.39
- Electricity related (Refer Note below)	36.28	36.10
- Other (Building and other construction workers welfare cess, wealth tax, etc.)	9.08	9.07

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

**Note:** Includes an amount of ₹ 10.54 crores (March 31, 2023: ₹ 10.54 crores) which has been claimed by Andhra Pradesh Gas Power Corporation Limited ('APGPCL') with respect to the power supplied by it to the Company through Andhra Pradesh Southern Power Distribution Corporation Limited ('APSPDCL'). The Management has contended that the said

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

dues charged by APSPDCL as part of the regular electricity bills has been duly discharged by the Company to APSPDCL. APGCL has also consequently placed a lien on the investment held by the Company in it for non-payment of dues. The Management has initiated arbitration proceedings against the claim and the said action of APGCL and is confident of a favourable outcome in this matter.

## (ii) Commitments:

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	590.07	235.22
(b) The Company has certain outstanding export obligations/ commitments which the Management is confident of meeting within the stipulated period of time / obtaining suitable extensions, wherever required.		
(c) The Company along with its subsidiaries has entered into a Memorandum of Understanding with the Government of Telangana for setting up of new energy related projects in the State of Telangana.		
(d) The Company has committed a capital investment of ₹ 495.51 crores to the State Industries Promotion Corporation of Tamil Nadu Limited upon entering into a lease agreement for land in Cheyyar for 99 years.		

**Note 33:** Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

	As at March 31, 2024	As at March 31, 2023 [Restated]
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	30.44	20.15
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 34: Employee benefits

### a. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees and recognises such contributions in the Statement of Profit and Loss. Contributions made to the defined benefit plans were:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Provident Fund	19.93	18.74
Superannuation Fund	19.05	16.98
Employees' State Insurance Scheme	4.84	4.94

### b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

#### Risk Management:

**Investment risk** - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Interest rate risk** - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Longevity risk** - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk** - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

#### (i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2024	As at March 31, 2023 [Restated]
Present value of obligation	80.99	65.06
Fair value of plan assets	(85.16)	(68.83)
<b>Net liability/(asset) recognized in the Balance Sheet</b>	<b>(4.17)</b>	<b>(3.77)</b>

#### (ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total Net
<b>As at March 31, 2022</b>	<b>58.20</b>	<b>59.03</b>	<b>0.83</b>
Additions on account of Business combination	3.89	3.80	(0.09)
Current service cost	-	4.72	4.72
Past service cost	-	-	-
Interest cost	-	4.35	4.35



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	Plan Assets	Plan Obligation	Total Net
Interest income	4.32	-	(4.32)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.78)	(1.78)
Actuarial (gain)/loss arising due to experience	-	(2.14)	(2.14)
Contributions	5.11	-	(5.11)
Benefit payments	(3.53)	(3.53)	-
Return on plan assets, excluding interest income	0.23	-	(0.23)
Transfer between Group Companies	0.61	0.61	-
<b>As at March 31, 2023 [Restated]</b>	<b>68.83</b>	<b>65.06</b>	<b>(3.77)</b>
Current service cost	-	4.52	4.52
Past service cost	-	-	-
Interest cost	-	4.74	4.74
Interest income	5.03	-	(5.03)
Actuarial (gain)/loss arising from changes in financial assumptions	-	0.92	0.92
Actuarial (gain)/loss arising due to experience	-	7.22	7.22
Contributions	13.33	-	(13.33)
Benefit payments	(3.16)	(3.16)	-
Return on plan assets, excluding interest income	0.12	-	(0.12)
Transfer between Group Companies	1.01	1.69	0.68
<b>As at March 31, 2024</b>	<b>85.16</b>	<b>80.99</b>	<b>(4.17)</b>

### (iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Employee Benefit Expenses</b>		
Current service cost	4.52	4.72
Interest cost	4.74	4.35
Interest income	(5.03)	(4.32)
<b>Net impact on profit before tax</b>	<b>4.23</b>	<b>4.75</b>
<b>Remeasurement of the net defined benefit plan</b>		
Actuarial (gain)/loss arising from changes in financial assumptions	0.92	(1.78)
Actuarial (gain)/loss arising due to experience	7.22	(2.14)
Return on plan assets, excluding interest income	(0.12)	(0.23)
<b>Net impact on other comprehensive income before tax</b>	<b>8.02</b>	<b>(4.15)</b>

### (iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
Funded with Life Insurance Corporation of India	100%	100%

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## (v) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2024	As at March 31, 2023 [Restated]
Discount rate	7.21%	7.26% - 7.41%
Salary escalation rate	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

### Demographic assumptions

Mortality in Service: Indian Assured Lives Mortality 2012-14 (Urban)

## (vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2024		As at March 31, 2023 [Restated]	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(4.09)	4.59	(3.90)	4.44
Salary escalation rate (1% movement)	3.97	(3.72)	4.13	(3.77)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

## (vii) Maturity analysis

Maturity profile of defined benefit obligation:

	As at March 31, 2024	As at March 31, 2023 [Restated]
Within 1 year	9.80	7.46
1-2 year	8.10	7.06
2-3 year	8.74	6.41
3-4 year	8.58	6.81
4-5 year	8.65	6.46
5-10 year	34.21	28.40
> 10 Year	50.12	44.55

The Company expects to contribute ₹ 0.77 Crores to its defined benefit plans during the next fiscal year.

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 35: Segment reporting

The Company publishes Standalone Financial Statements along with Consolidated Financial Statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the Consolidated Financial Statements. Accordingly, the segment information is given in the Consolidated Financial Statements of Amara Raja Energy & Mobility Limited and its subsidiaries for the year ended March 31, 2024.

## Note 36: Related party transactions

### (a) Details of related parties

#### Entity exercising significant influence

RNGalla Family Private Limited

#### Entity where control exists - Subsidiary

Amara Raja Batteries Middle East (FZE), U.A.E.

Amara Raja Circular Solutions Private Limited

Amara Raja Advanced Cell Technologies Private Limited

Amara Raja Power Systems Limited [w.e.f. September 29, 2023]

#### Key Management Personnel (KMP)

Jayadev Galla Chairman & Managing Director

Harshavardhana Gourineni Executive Director

Vikramadithya Gourineni Executive Director

#### Relative of Key Management Personnel

Dr. Ramachandra N. Galla Relative of Jayadev Galla

Dr. Ramadevi Gourineni Relative of Jayadev Galla

G. Amara Kumari Relative of Jayadev Galla

Ashok Galla Relative of Jayadev Galla

Siddharth Galla Relative of Jayadev Galla

#### Entities in which KMP / Relatives of KMP exercise significant influence

Asistmi Solutions Private Limited

Amara Raja Electronics Limited

G2 Healthcare Private Limited

Nine Nines Lifestyle Private Limited

Rajanna Foundation (Formerly known as "Rajanna Trust")

Amara Raja Educational Society

Amara Raja Blaze Technologies Private Limited

HG Global Private Limited

HG Chemicle Private Limited

Tropical Island Spas and Resorts Private Limited

Amara Raja Design Alpha Private Limited (w.e.f. July 5, 2023)

#### Subsidiaries of the entity exercising significant influence

Mangal Industries Limited

Amara Raja Infra Private Limited

Amara Raja Media and Entertainment Private Limited



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## (b) Transactions with the above related parties during the year were:

	For the year ended March 31, 2024 *	For the year ended March 31, 2023* [Restated]
<b>Sale of goods (Net of sale returns)</b>		
Amara Raja Power Systems Limited	36.34	24.06
Amara Raja Electronics Limited	-	0.08
Mangal Industries Limited	0.06	0.03
Amara Raja Infra Private Limited	0.01	0.32
Amara Raja Batteries Middle East (FZE)	3.93	5.51
Amara Raja Circular Solutions Private Limited **	60.59	7.69
Amara Raja Advanced Cell Technologies Private Limited	66.91	-
<b>Rental Income</b>		
Mangal Industries Limited	0.40	0.38
Amara Raja Advanced Cell Technologies Private Limited	0.63	-
<b>Sale of capital goods</b>		
Amara Raja Circular Solutions Private Limited	0.02	-
Amara Raja Advanced Cell Technologies Private Limited	0.48	-
RNGalla Family Private Limited	0.10	-
<b>Purchase of goods</b>		
Amara Raja Power Systems Limited	13.98	72.35
Amara Raja Electronics Limited	163.61	143.47
Mangal Industries Limited	362.31	330.15
RNGalla Family Private Limited	0.50	0.08
Amara Raja Advanced Cell Technologies Private Limited	63.52	-
<b>Availing of services</b>		
Amara Raja Infra Private Limited	111.15	104.55
Rajanna Foundation	0.23	-
Amara Raja Batteries Middle East (FZE)	0.80	1.14
<b>Purchase of Fixed Assets</b>		
Amara Raja Power Systems Limited	0.39	17.96
Amara Raja Electronics Limited	-	0.05
Mangal Industries Limited	60.34	45.23
Amara Raja Infra Private Limited	95.58	61.37
RNGalla Family Private Limited	0.26	-
<b>Rent Expense</b>		
Jayadev Galla	4.07	3.87
Dr. Ramachandra N. Galla	0.63	0.60
Dr. Ramadevi Gourineni	3.71	3.53
Harshavardhana Gourineni	0.04	0.03
Vikramadithya Gourineni	0.03	0.03
G. Amara Kumari	0.05	0.05
Ashok Galla	0.03	0.03
Siddharth Galla	0.03	0.03
Amara Raja Infra Private Limited	2.43	2.43
Mangal Industries Limited	0.14	-

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024 *	For the year ended March 31, 2023* [Restated]
<b>Donation Expense (including CSR Expense)</b>		
Rajanna Foundation	18.06	24.56
Amara Raja Educational Society	6.18	-
<b>Expenses reimbursed to</b>		
Amara Raja Power Systems Limited	0.00*	-
Amara Raja Electronics Limited	0.01	-
Mangal Industries Limited	5.20	3.46
Amara Raja Infra Private Limited	-	0.02
RNGalla Family Private Limited	0.03	0.01
Amara Raja Batteries Middle East (FZE)	0.74	-
Amara Raja Advanced Cell Technologies Private Limited	0.22	-
<b>Dividends Paid (including interim dividend)</b>		
RNGalla Family Private Limited	38.35	16.30
<b>Expenses recovered from</b>		
Amara Raja Power Systems Limited	4.97	7.87
Amara Raja Electronics Limited	0.82	1.12
Mangal Industries Limited	7.81	5.24
Amara Raja Infra Private Limited	9.69	6.39
RNGalla Family Private Limited	1.87	0.78
Amara Raja Circular Solutions Private Limited	2.34	2.94
Amara Raja Advanced Cell Technologies Private Limited	10.57	2.55
<b>Interest Income</b>		
Amara Raja Power Systems Limited	0.00*	-
Amara Raja Electronics Limited	0.00*	0.01
Mangal Industries Limited	0.01	0.35
Amara Raja Infra Private Limited	0.19	0.07
RNGalla Family Private Limited	0.01	0.01
Amara Raja Advanced Cell Technologies Private Limited	4.15	-
<b>Sale of Assets</b>		
Amara Raja advanced Cell Technologies Private Limited (Refer Note 22)	223.96	
<b>Purchase of investment in Amara Raja Power Systems Private Limited</b>		
RNGalla Family Private Limited (Refer Note 48)	133.00	
<b>Purchase of plastic component business of Mangal Industries Limited</b>		
RNGalla Family Private Limited (Refer Note 47)	672.56	
<b>Corporate Guarantee Commission</b>		
Amara Raja Advanced Cell Technologies Private Limited	0.29	-
<b>Remuneration</b>		
Jayadev Galla	63.31	52.63
Harshavardhana Gourineni	31.65	26.32
Vikramadithya Gourineni	31.65	26.32

\* Transactions have been disclosed net of applicable taxes.

\*\* Includes certain capital equipment which are sold at cost on high seas basis.

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Financial Statements

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## (c) Balances receivable from / payable to related parties are as follows:

	As at March 31, 2024	As at March 31, 2023
<b>Trade Receivables</b>		
Amara Raja Power Systems Limited	17.59	12.28
Mangal Industries Limited	0.00 <sup>#</sup>	0.01
Amara Raja Batteries Middle East (FZE)	1.31	1.37
Amara Raja Infra Private Limited	0.01	2.51
Amara Raja Circular Solutions Private Limited	0.03	3.01
<b>Security Deposits</b>		
Jayadev Galla	2.12	2.12
Dr. Ramachandra N. Galla	0.32	0.32
Dr. Ramadevi Gourineni	2.04	2.04
<b>Interest Receivable</b>		
Mangal Industries Limited	0.00 <sup>#</sup>	0.00 <sup>#</sup>
Amara Raja Infra Private Limited	0.02	0.02
RNGalla Family Private Limited	0.00 <sup>#</sup>	0.00 <sup>#</sup>
Amara Raja Advanced Cell Technologies Private Limited	0.73	-
<b>Rent Receivable</b>		
Mangal Industries Limited	0.05	-
Amara Raja Advanced Cell Technologies Private Limited	0.16	-
<b>Advances (including contractually reimbursable expenses)</b>		
Amara Raja Power Systems Limited	0.79	0.53
Amara Raja Electronics Limited	12.40	8.24
Mangal Industries Limited	4.57	2.77
Amara Raja Infra Private Limited	26.22	2.98
RNGalla Family Private Limited	0.39	0.06
Amara Raja Circular Solutions Private Limited	2.06	0.00 <sup>#</sup>
Amara Raja Advanced Cell Technologies Private Limited	1.41	-
<b>Trade payables</b>		
Amara Raja Power Systems Limited	0.03	0.11
Amara Raja Electronics Limited	10.24	5.57
Mangal Industries Limited	6.59	6.77
Amara Raja Infra Private Limited	11.06	16.71
Amara Raja Batteries Middle East (FZE)	0.80	1.14
Amara Raja Advanced Cell Technologies Private Limited	38.55	-
RNGalla Family Private Limited	0.06	-
<b>Payables on purchase of fixed assets</b>		
Amara Raja Power Systems Limited	-	0.02
Mangal Industries Limited	13.14	9.59
Amara Raja Infra Private Limited	18.46	16.93
RNGalla Family Private Limited	0.15	-

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2024	As at March 31, 2023
<b>Other Payables</b>		
Rajanna Foundation	6.50	4.79
Amara Raja Advanced Cell Technologies Private Limited	3.79	-
Amara Raja Batteries Middle East (FZE)	0.74	-
<b>Investment in subsidiary</b>		
Amara Raja Batteries Middle East (FZE)	0.57	0.57
Amara Raja Circular Solutions Private Limited	320.00	100.00
Amara Raja Advanced Cell Technologies Private Limited	400.00	100.00
<b>Loans given to subsidiaries</b>		
Amara Raja Advanced Cell Technologies Private Limited	100.00	-
<b>Other Payables (Employee Related)</b>		
Jayadev Galla	60.90	50.23
Harshavardhana Gourineni	30.23	24.91
Vikramadithya Gourineni	30.23	24.91
<b>Rent Payable</b>		
Jayadev Galla	0.37	0.35
Dr. Ramachandra N. Galla	0.06	0.03
Dr. Ramadevi Gourineni	0.34	0.29
Harshavardhana Gourineni	-	0.02
Vikramadithya Gourineni	-	0.02
G. Amara Kumari	-	0.04
Ashok Galla	-	0.02
Siddharth Galla	-	0.02
Amara Raja Infra Private Limited	0.20	0.21
Mangal Industries Limited	0.15	-
<b>Capital commitments (refer note 32)</b>		
Amara Raja Power Systems Limited	0.17	2.64
Mangal Industries Limited	51.38	25.51
Amara Raja Infra Private Limited	137.41	25.91
<b>Contractually reimbursable amount as per Scheme of Arrangement</b>		
Mangal Industries Limited	-	22.70
<b>Corporate Guarantee given</b>		
Amara Raja Advanced Cell Technologies Private Limited	750.00	-

# Amount below ₹ 1 lakh

CO

SR

Financial Statements



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 37: Earnings per share (EPS)

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Profit for the year (in ₹ crores) [A]	905.86	730.71
Weighted average number of equity shares outstanding during the year (No's) [B]*	18,30,25,364	18,30,25,364
<b>Earnings per share (Face Value of ₹ 1 per share)</b>		
- Basic and diluted (in ₹ ) [A/B]	<b>49.49</b>	<b>39.92</b>
<b>Equity shares reconciliation for EPS*</b>		
Number of equity shares outstanding	18,30,25,364	17,08,12,500
Add: Shares issued for acquisition pending allotment [Refer Note 47]	-	1,22,12,864
Weighted average numbers of equity shares considered for basic and diluted EPS	18,30,25,364	18,30,25,364

## Note 38: Leases

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>(i) The following is the breakup of current and non-current lease liabilities</b>		
Current liabilities	26.11	26.79
Non-current liabilities	73.23	63.50
	<b>99.34</b>	<b>90.29</b>
<b>(ii) The following is the movement of lease liabilities during the year ended March 31:</b>		
Balance at the beginning	90.29	102.50
Additions during the year	40.40	16.89
Deletions during the year	(2.02)	(2.45)
Finance cost accrued during the year	7.39	7.52
Payment of lease liabilities	(36.72)	(34.17)
Balance at the end	<b>99.34</b>	<b>90.29</b>
<b>(iii) Contractual maturities of lease liabilities</b>		
Less than one year	26.11	26.79
One to five years	69.32	57.39
More than five years	3.91	6.11
	<b>99.34</b>	<b>90.29</b>

## Note 39: Revenue expenditure capitalized to fixed assets/ capital work-in-progress

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) Cost of material consumed (net) (Refer Note below)	4.06	14.63
(b) Depreciation and amortization expense [net of deferred revenue arising from government grant of ₹ 0.11 crores (Year ended March 31, 2023: ₹ 0.07)]	0.11	0.07
(c) Others	0.50	0.04
<b>Total</b>	<b>4.67</b>	<b>14.74</b>

**Note:** Net of income from sale of batteries, scrap, etc., ₹ 1.55 crores (Year ended March 31, 2023: ₹ 14.16 crores)

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

**Note 40: Disclosure as per Regulation 53(F) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

(i) Loans and advances in the nature of loans:

	Amount at the year end		Maximum amount outstanding	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Amara Raja Advanced Cell Technologies Private Limited (Wholly-owned subsidiary)	100.00	-	100.00	100.00

(ii) Details of investments made under Section 186 of the Companies Act, 2013 are disclosed in Note 5.

## Note 41: Details of expenditure incurred on research and development

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Revenue expenditure:</b>		
(a) Cost of materials consumed	0.31	0.79
(b) Consumption of stores and spares (including secondary packing material)	0.48	0.47
(c) Employee benefits expense	6.66	8.96
(d) Power and fuel	1.07	0.96
(e) Others	1.05	0.94
<b>Total Revenue expenditure [A]</b>	<b>9.57</b>	<b>12.12</b>
<b>Capital expenditure [B]</b>	<b>7.17</b>	<b>5.05</b>
<b>Total [A+B]</b>	<b>16.74</b>	<b>17.17</b>

## Note 42: Details of Provisions

(a) Provision for warranty is made for estimated warranty claims in respect of sale of certain storage batteries which are still under warranty at the end of the reporting period, the estimated cost of which is accrued at the time of sale. These claims are expected to be settled as and when warranty claims arise. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligation for warranties. Management estimates the provision based on historical warranty claim information and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The products are generally covered under a free warranty period ranging from 6 months to 42 months.

(b) The disclosure of provisions movement as required under the provisions of Ind AS 37 is as follows:-

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Balance as at April 1</b>	<b>245.42</b>	<b>219.87</b>
Additional provisions recognised	149.28	192.04
Amount utilised / reversed during the year	(150.84)	(167.90)
Unwinding of discount and effect of changes in the discount rate	15.10	13.28
Reclassified as held for sale	-	(11.87)
<b>Balance as at March 31</b>	<b>258.96</b>	<b>245.42</b>
Out of the above,		
Classified under Non-current provisions (Refer Note 16)	134.46	109.49
Classified under Current provisions (Refer Note 16)	124.50	135.93

# Notes to the standalone financial statements

for the year ended March 31, 2024

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## Note 43: Financial instruments and related disclosures

### A. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern. The capital structure of the Company is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary, adjust its capital structure.

Equity share capital and other equity are considered for the purpose of Company's Capital Management.

### B. Category wise classification of Financial Instruments

	Carrying value		Fair value	
	As at March 31, 2024	As at March 31, 2023 [Restated]	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
(i) Cash and cash equivalents	89.22	89.44	89.22	89.44
(ii) Other bank balances	15.25	10.39	15.25	10.39
(iii) Trade receivables	1,017.07	779.67	1,017.07	779.67
(iv) Other financial assets	102.74	437.88	102.74	437.88
(v) Investments	0.01	0.01	0.01	0.01
(vi) Loans	100.00	88.71	100.00	88.71
<b>Measured at cost</b>				
(i) Investment in subsidiary	853.57	200.57	853.57	200.57
<b>Measured at FVTOCI</b>				
(i) Investment in equity instruments	151.11	52.20	151.11	52.20
(ii) Investment in preference shares	209.46	209.46	209.46	209.46
<b>Measured at FVTPL</b>				
Mandatorily measured:				
Current investment- Mutual funds	264.97	23.77	264.97	23.77
<b>Total Financial assets</b>	<b>2,803.40</b>	<b>1,892.10</b>	<b>2,803.40</b>	<b>1,892.10</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
(i) Borrowings	53.33	111.06	53.33	111.06
(ii) Trade payables	839.83	751.35	839.83	751.35
(iii) Other financial liabilities	320.50	247.20	320.50	247.20
(iv) Lease Liabilities	99.34	90.29	99.34	90.29
<b>Total Financial liabilities</b>	<b>1,313.00</b>	<b>1,199.90</b>	<b>1,313.00</b>	<b>1,199.90</b>

### C. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard. The key risks and mitigating actions are overseen by the Board of Directors of the Company.

#### Liquidity Risk

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Company's current assets aggregate ₹ 3,549.02 crores (March 31, 2023 ₹ 3,327.06 crores) including Current investments, Cash and cash equivalents and Other bank balances of ₹ 369.44 crores (March 31, 2023 ₹ 123.60 crores) against an aggregate current liability of ₹ 1,657.92 crores (March 31, 2023 ₹ 1,487.48 crores). The table below provides details regarding the contractual maturities of significant non-current financial liabilities as of March 31, 2024 and March 31, 2023. Contractual maturities in respect of lease liabilities has been disclosed in Note 38.

	As at March 31, 2024			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings	24.41	1.58	-	25.99

	As at March 31, 2023 [Restated]			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings	65.64	14.37	-	80.01

Further, while the Company's borrowings stands at ₹ 53.33 crores (March 31, 2023: ₹ 111.06 crores) it has a total equity of ₹ 6,768.65 crores (March 31, 2023: ₹ 6,005.64 crores). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

## Market Risk

The Company continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity and preference share instruments as at March 31, 2024 is ₹ 360.57 crores (March 31, 2023 ₹ 261.66 crores). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is primarily not exposed to interest rate risk considering the amount of borrowings availed from banks & which were transferred under the Scheme of Arrangement. Further, treasury activities, focused on managing current investments are administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation. The Company invests in Mutual Fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the Mutual Fund schemes in which the Company has invested, such price risk is not significant. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

## Commodity Price Risk

Material cost is the largest cost component for the Company, thus exposing it to the risk of price fluctuations based on the supply and demand conditions of those materials. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company has put in place a mix of long-term and short-term mitigation plans. The long-term price view consisted of identifying single vendor dependency and finding alternate vendors and sources for the same. The Company also has a robust process of estimating the prices periodically, analyzing deviations, if any, and taking short-term corrective measures in addition



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

to altering the outlook for the long-term, if required. The Company also leverages its financial resources to modify the inventory levels as required keeping in mind the price outlook in the near term. Similarly, the Company modifies the contract period in negotiations with the vendors to either lock in prices or link them to expected market prices. During the year ended March 31, 2024 and March 31, 2023, the Company had not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

## Foreign Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials and property, plant and equipment. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars, EURO and GBP. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risk.

The Company manages currency exposures within prescribed limits. The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

### As at March 31, 2024

	USD	EURO	GBP	Other currencies*	Total
<b>Financial Assets</b>					
- Trade receivables	183.91	0.53	-	-	184.44
- Cash and cash equivalents	67.49	-	-	-	67.49
<b>Financial Liabilities</b>					
- Trade Payables	(87.63)	(6.93)	(1.32)	(2.17)	(98.05)
- Other financial liabilities	(13.39)	(21.35)	(0.70)	-	(35.44)
<b>Net financial asset / (liability)</b>	<b>150.38</b>	<b>(27.75)</b>	<b>(2.02)</b>	<b>(2.17)</b>	<b>118.44</b>

### As at March 31, 2023 [Restated]

	USD	EURO	GBP	Other currencies*	Total
<b>Financial Assets</b>					
- Loan	-	88.71	-	-	88.71
- Trade receivables	60.43	-	-	-	60.43
- Cash and cash equivalents	44.11	-	-	-	44.11
- Other financial asset	-	6.54	-	-	6.54
<b>Financial Liabilities</b>					
- Trade Payables	(84.59)	(2.59)	(1.56)	(1.27)	(90.01)
- Other financial liabilities	(17.13)	(10.24)	(1.20)	-	(28.57)
<b>Net financial asset / (liability)</b>	<b>2.82</b>	<b>82.42</b>	<b>(2.76)</b>	<b>(1.27)</b>	<b>81.21</b>

\* Other includes currencies such as Japanese Yen and Dirhams.

## Foreign currency sensitivity analysis

For every percentage point increase in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax for the year ended March 31, 2024 would change by ₹ 1.39 crores [March 31, 2023: ₹ 1.80 crores]. For every percentage point decrease in the underlying exchange rate would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates.

## Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligation. Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. loss allowances and impairment is recognised, where considered appropriate by responsible management.

The credit risk on cash and bank balances and fixed deposits is limited because the counterparties are banks with high credit ratings.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Revenue from top customer from whom the Company receives 10% or more of its revenues	-	-
Revenue from top 5 customers	1,583.92	1,354.35

## D. Fair value measurement

### Fair value hierarchy

The fair value of financial instruments as referred to in Note 43.B above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The following levels have been used for classification:

- Level 1: Quoted prices (unadjusted) for identical instruments in active market.
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly for certain unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has classified certain unquoted equity instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

# Notes to the standalone financial statements

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All amounts are in ₹ crores, except share data and where otherwise stated

## Notes:

- (i) During the previous year ended March 31, 2023, the performance of investments in unquoted shares of Andhra Pradesh Gas Power Corporation Limited along with the relevant economic and market indicators, supply chain challenges and closure of power plants resulted in indicators of impairment. Accordingly, the Company determined the fair value of the Investment as ₹ Nil and recorded the impairment loss in other comprehensive income. There has been no change in these factors during the current year.
- (ii) The fair value of equity and preference shares carried at fair value through other comprehensive income were determined using indirect market observable inputs and recent transactions for same / similar securities.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

	Fair value hierarchy (Level)	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Financial assets</b>			
<b>a) Measured at fair value through OCI</b>			
i) Equity Shares - Quoted	1	0.55	0.23
ii) Equity and Preference Shares - Unquoted	2	360.02	261.43
<b>Sub-total</b>		<b>360.57</b>	<b>261.66</b>
<b>b) Measured at fair value through profit or loss</b>			
i) Investment in Mutual Funds	1	264.97	23.77
<b>Sub-total</b>		<b>264.97</b>	<b>23.77</b>
<b>Total</b>		<b>625.54</b>	<b>285.43</b>

## Note 44: Dividend

Dividend on equity shares paid during the year	FY 2023-24	FY 2022-23
Final dividend for FY 2022-23 (₹ 3.20 per equity share of ₹ 1 each) [for FY 2021-22 ₹ 0.50 per equity share of ₹ 1 each]	54.66	8.54
Interim dividend for the FY 2023-24 (₹ 4.80 per equity share of ₹ 1 each) [for FY 2022-23 ₹ 2.90 per equity share of ₹ 1 each]	81.99	49.54
	<b>136.65</b>	<b>58.08</b>

Interim dividend of ₹ 4.80 per equity share of face value of ₹ 1 each approved by the Board of Directors at its meeting held on October 31, 2023 was paid during the current year. The Board of Directors at its meeting held on May 28, 2024 has recommended a dividend of ₹ 5.10 per equity share of face value of ₹ 1 each which is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability. The total dividend (including interim dividend) for FY 2023-24 amounts to ₹ 9.90 per equity share (Previous year ₹ 6.10 per equity share).

## Note 45: Corporate Social Responsibility

	FY 2023-24	FY 2022-23 [Restated]
(i) Gross amount required to be spent by the Company during the year	16.80	15.99
(ii) Amount spent during the year on :		
(a) Construction/acquisition of any assets	8.67	7.26
(b) On purposes other than (i) above	8.13	8.82

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

<b>Total spent</b>	16.80	16.08
(iii) Related party transactions in relation to Corporate Social Responsibility	16.80	15.98

(iv) Details of excess amount spent

	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Others	Closing Balance
Details of excess amount spent	0.27	16.80	16.80	0.27	-

(v) Nature of CSR activities undertaken by the Company :

- Affordable quality education in rural areas
- Provide healthcare to rural india
- Soil conservation and vegetative regeneration
- Development of surrounding villages that include construction of roads, rain water storage tanks and supply channel amongst others.

## Note 46: Key Financial Ratios

Srl. No.	Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23 [Restated]	% variance
1	Current ratio	Current assets	Current liabilities	2.14	2.24	(4%)
2	Debt-equity ratio	Total Debt (Borrowings)	Total Equity	0.01	0.02	(57%)**
3	Debt service coverage ratio	Earnings available for debt service#	Finance costs (excluding costs pertaining to lease liabilities and unwinding of discount on warranty provision) + Repayment of Borrowings	20.27	59.90	(66%) **
4	Return on equity (%)	Profit for the year	Average Total Equity	14.18%	13.84%	2%
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	4.32	4.02	7%
6	Trade receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	12.47	13.15	(5%)
7	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade Payables	9.64	8.85	9%
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	5.95	5.65	5%
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	8.04%	7.03%	14%
10	Return on Capital employed (%)	Profit before interest (excluding interest on lease liabilities and unwinding of discount on warranty provision), exceptional items and tax	Average Capital employed^	18.61%	19.46%	(4%)
11	Return on investment (%)	Income during the year	Time weighted average of investments			
a	Return on Mutual Funds			7.52%	5.08%	48% \$
b	Return on Fixed deposits			5.55%	4.84%	15%

\*\* Impact is due to repayment of borrowed funds during the current financial year.

# Earning available for Debt Service: Profit after tax + depreciation and amortisation expense + finance costs (excluding interest on lease liabilities and unwinding of discount on warranty provision) + net loss on sale of property, plant and equipment-deferred revenue income recognised.

^[Total Equity + Total Debt (Borrowings)+ Deferred tax liabilities].

\$ Impact is due to market fluctuations.



# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 47: Business Combination

The Board of Directors of the Company at its meeting held on September 26, 2022 approved a Scheme of Arrangement amongst Mangal Industries Limited ('Demerged Company') and Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) ['the Company'] and their respective shareholders and creditors, under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme"). The Scheme, inter-alia, provides for demerger of the plastic component for battery business ('Demerged Undertaking') from the demerged company to the Company. The Scheme has been approved by the Hon'ble jurisdictional National Company Law Tribunal ('NCLT') vide its order dated January 10, 2024, and the same has become effective from February 1, 2024.

The Demerged Company is engaged in various businesses such as Plastic Component for Battery Business, manufacturing of auto components (including fasteners, plastics, copper inserts /connectors and others), metal fabrication, storage solution, lead bushes and trading of various products, etc. The entire output generated from the Plastic Component for Battery Business is currently sold to the Company. This backward integration is expected to enhance the Company's control over the supply and inventory management of its raw materials. This would help with a unified approach on supply chain management and consequent synergies leading to optimization of resource utilisation, reduced operational, logistics, supervisory and overhead / utilities costs, reduce duplication of administrative efforts and better procurement policies and prices, for the Resulting Company.

The Company has given effect to the Scheme in accordance with the MCA's General Circular 9/2019 dated August 21, 2019 from April 1, 2022 being the appointed date as per the Scheme and the previously issued standalone financial statements for the year ended March 31, 2023 have been restated, as below.

### I Reconciliation of Balance sheet as on March 31, 2023:

ASSETS	As at March 31, 2023 (Reported)	Scheme impact	As at March 31, 2023 (Restated)
<b>Non-current assets</b>			
(a) Property, plant and equipment	2,500.16	336.77	2,836.93
(b) Right-of-use assets	330.93	25.57	356.50
(c) Capital work-in-progress	232.90	0.59	233.49
(d) Goodwill	-	427.99	427.99
(e) Other intangible assets	65.81	1.00	66.81
(f) Intangible assets under development	0.76	-	0.76
(g) Financial assets	-	-	-
(i) Investments	462.24	-	462.24
(ii) Other financial assets	115.78	-	115.78
(h) Income-tax assets (net)	-	1.50	1.50
(i) Other non-current assets	106.72	1.53	108.25
<b>Total non - current assets</b>	<b>3,815.30</b>	<b>794.95</b>	<b>4,610.25</b>
<b>Current assets</b>			
(a) Inventories	1,643.42	31.77	1,675.19
(b) Financial assets	-	-	-
(i) Investments	23.77	-	23.77
(ii) Loans	88.71	-	88.71
(iii) Trade receivables	779.67	0.00	779.67
(iv) Cash and cash equivalents	89.44	-	89.44
(v) Bank balances other than (iv) above	10.39	-	10.39
(vi) Other financial assets	313.67	8.43	322.10
(c) Other current assets	111.43	3.08	114.51
(d) Assets classified as held for sale	223.28	-	223.28
<b>Total current assets</b>	<b>3,283.78</b>	<b>43.28</b>	<b>3,327.06</b>
<b>Total assets</b>	<b>7,099.08</b>	<b>838.23</b>	<b>7,937.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17.08	-	17.08
(b) Other equity	5,280.76	707.80	5,988.56
<b>Total equity</b>	<b>5,297.84</b>	<b>707.80</b>	<b>6,005.64</b>
<b>Liabilities</b>			

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

EQUITY & LIABILITIES	As at March 31, 2023 (Reported)	Scheme impact	As at March 31, 2023 (Restated)
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	9.64	70.37	80.01
(ii) Lease liabilities	63.50	-	63.50
(b) Provisions	130.66	2.86	133.52
(c) Deferred tax liabilities (net)	72.79	30.83	103.62
(d) Other non-current liabilities	63.54	-	63.54
<b>Total non - current liabilities</b>	<b>340.13</b>	<b>104.06</b>	<b>444.19</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	6.88	24.17	31.05
(ii) Lease liabilities	26.79	-	26.79
(iii) Trade payables			
- Total outstanding dues of Micro enterprises and small enterprises	17.76	2.39	20.15
- Total outstanding dues of creditors other than Micro enterprises and small enterprises	732.99	(1.79)	731.20
(iv) Other financial liabilities	245.10	2.10	247.20
(b) Provisions	141.34	0.04	141.38
(c) Current tax liabilities (net)	0.54	(0.54)	-
(d) Other current liabilities	266.30	-	266.30
(e) Liabilities directly associated with assets classified as held for sale	23.41	-	23.41
<b>Total current liabilities</b>	<b>1,461.11</b>	<b>26.37</b>	<b>1,487.48</b>
<b>Total equity and liabilities</b>	<b>7,099.08</b>	<b>838.23</b>	<b>7,937.31</b>

## II Reconciliation of Profit and Loss account for the year ended March 31, 2023:

	For the year ended March 31, 2023 (Reported)	Scheme impact	For the year ended March 31, 2023 (Restated)
<b>Income</b>			
Revenue from operations	10,385.91	3.80	10,389.71
Other income	89.33	0.33	89.66
<b>Total Income (I+II)</b>	<b>10,475.24</b>	<b>4.13</b>	<b>10,479.37</b>
<b>Expenses</b>			
Cost of materials consumed	6,638.72	(180.18)	6,458.54
Purchases of stock-in-trade	487.29	-	487.29
Changes in inventories of finished goods, work-in-progress and stock-in-trade	60.68	(8.45)	52.23
Employee benefits expense	591.03	60.07	651.10
Finance costs	22.08	7.52	29.60
Depreciation and amortization expense	427.23	23.17	450.40
Other expenses	1,252.99	52.53	1,305.52
<b>Total Expenses</b>	<b>9,480.02</b>	<b>(45.34)</b>	<b>9,434.68</b>
<b>Profit before exceptional items and tax (III-IV)</b>	<b>995.22</b>	<b>49.47</b>	<b>1,044.69</b>
Exceptional items (net)	47.65	-	47.65
<b>Profit before tax (V - VI)</b>	<b>947.57</b>	<b>49.47</b>	<b>997.04</b>
<b>Tax expense</b>			
(i) Current tax	247.87	14.17	262.04
(ii) Deferred tax (net)	5.29	(1.00)	4.29
<b>Tax expense</b>	<b>253.16</b>	<b>13.17</b>	<b>266.33</b>
<b>Profit for the year (VII - VIII)</b>	<b>694.41</b>	<b>36.30</b>	<b>730.71</b>

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023 (Reported)	Scheme impact	For the year ended March 31, 2023 (Restated)
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss:			
(a) Remeasurements of the defined benefit plans	5.21	(1.06)	4.15
(b) Net fair value gain / (loss) on investments in financial instruments through Other Comprehensive Income (net of tax)	104.91	-	104.91
<b>Total Other Comprehensive Income</b>	<b>110.12</b>	<b>(1.06)</b>	<b>109.06</b>
<b>Total comprehensive income for the year (IX + X)</b>	<b>804.53</b>	<b>35.24</b>	<b>839.77</b>

The working capital changes from April 1, 2022 to January 31, 2024 has been considered as other current financial asset and has been recovered from Mangal Industries Limited subsequent to the Balance Sheet date.

## Fair Value of the Consideration transferred:

The fair value of purchase consideration was determined as ₹ 672.56 crores which has been discharged through issue of 1,22,12,864 fully paid-up equity shares of face value of ₹ 1/- each to the equity shareholders of the Demerged Company, in accordance with the share entitlement ratio (65 equity shares of the Company for every 74 equity shares held) approved in the Scheme. Consequent to the approval of the scheme, these shares were allotted to RN Galla Family Private Limited (shareholders of demerged Company). The fair value of the shares issued has been determined based on the Volume-weighted average market price as on the Appointed Date. The transaction was accounted in accordance with the acquisition method as per Ind AS 103 — Business Combination. As per Ind AS 103, purchase consideration has been allocated on the basis of fair valuation determined by an independent valuer.

## The Fair Value of identifiable assets acquired, and liabilities assumed as on the acquisition date (April 1, 2022):

	Fair Value
<b>I. ASSETS</b>	
<b>(1) Non-current assets</b>	
Property, Plant and Equipment	316.66
Right-of-use asset	25.84
Capital work-in-progress	26.80
Other intangible assets	1.42
Other non-current assets	1.82
<b>(2) Current assets</b>	
Inventories	37.00
Trade receivables	3.12
Other financial assets	0.05
Other current assets	3.98
<b>Total assets (A)</b>	<b>416.69</b>
<b>II. Liabilities</b>	
<b>(1) Non-current liabilities</b>	
Long term borrowings	87.08
Deferred tax liabilities (net)	31.83
Long term provision	1.90
<b>(2) Current liabilities</b>	
Short term borrowings	11.65
Trade payables	30.51
Other financial liabilities	4.84
Other current liabilities	4.23
Short term provision	0.08
<b>Total liabilities (B)</b>	<b>172.12</b>
<b>III. Value of Identified Net Assets at fair value (C) = (A)-(B)</b>	<b>244.57</b>

## Amount recognised as Goodwill:

	Amount
Fair value of consideration transferred	672.56
Less: Fair value of the net assets acquired	244.57
Goodwill	427.99

# Notes to the standalone financial statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset. And acquisition results in enhanced control over the supply and inventory management of its raw materials. This would help with a unified approach on supply chain management and consequent synergies leading to optimization of resource utilisation, reduced operational, logistics, supervisory and overhead / utilities costs, reduce duplication of administrative efforts and better procurement policies and prices. Goodwill is not tax-deductible.

## Acquisition related costs:

During the year ended March 31, 2024 acquisition related costs of ₹ 17.13 Crores had been recognised under Rates and Taxes, Legal and professional Expenses and Miscellaneous Expenses in the Statement of Profit and Loss.

## Note 48: Acquisitions

The Company entered into a Share Purchase Agreement with RNgalla Family Private Limited (promoter of the Company) to purchase entire shareholding in Amara Raja Power Systems Limited ("ARPSL"), an entity primarily engaged in the manufacture of industrial chargers, integrated power systems, EV chargers for 2W and 3W applications and other energy management devices for a consideration of ₹ 133 crores. The acquisition of shares has been disclosed as Investments in subsidiary in Note 5 and ARPSL has become a wholly-owned subsidiary of the Company effective September 29, 2023.

## Note 49:

The Company on April 30, 2021 received closure orders from the Andhra Pradesh Pollution Control Board ('APPCB') for the Company's plants situated at Karakambadi, Tirupati and Nunegundlapalli Village, Chittoor District. Consequently, the Company went in appeal against the said orders to the Hon'ble High Court of Andhra Pradesh at Amravati, which granted interim suspension of the closure orders. The plants of the Company were closed for a period of 5 days during the quarter ended June 30, 2021, from the date of closure orders till the date of the said interim suspension. The Company did not incur any material loss during the period of closure.

APPCB also issued two show cause notices in February, 2022 against which the Company filed a special leave petition with the Hon'ble Supreme Court which vide its order dated February 20, 2023 disposed off the matter for it to be heard at the lower courts and the same is pending disposal.

The Management has also been working with the APPCB to satisfactorily resolve the matter.

## Note 50:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has been enacted. However, the date on which the Code will come into effect has not yet been notified. The Management will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective.

**Note 51:** The standalone financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 28, 2024.

## For and on behalf of the Board of Directors

### Jayadev Galla

Chairman & Managing Director  
DIN: 00143610  
Place: New Delhi  
Date: May 28, 2024

### Vikramadithya Gourineni

Executive Director  
DIN: 03167659

### Vikas Sabharwal

Company Secretary

Place: Hyderabad  
Date: May 28, 2024

### Harshavardhana Gourineni

Executive Director  
DIN: 07311410  
Place: Hyderabad  
Date: May 28, 2024

### Delli Babu Y

Chief Financial Officer



# Independent Auditors' Report

## **To The Members of Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) Report on the Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of **Amara Raja Energy & Mobility Limited** (formerly known as Amara Raja Batteries Limited) ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143 (10) of the Act. Our

responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Emphasis of Matter**

We draw attention to Note 46 of the Consolidated financial statements, which describes the effects of a Scheme of Arrangement approved by National Company Law Tribunal which became effective from February 1, 2024. As stated in the said Note, the Scheme has been given effect to from April 1, 2022 i.e. appointed date in accordance with the MCA's General Circular 9/2019 dated 21 August 2019. Accordingly, the comparative information for the year ended March 31, 2023 included in the Consolidated financial statements have been restated.

Our conclusion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
1	<p><b>Revenue Recognition</b></p> <p>Refer Note 2 (M) "Revenue Recognition" of the Consolidated Financial Statements under Material accounting policies and key accounting estimates and judgements.</p> <p>Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per terms of the contracts with customers.</p> <p>The timing of revenue recognition is relevant as there is a risk of revenue being recorded before control is transferred.</p>	<p>We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> <li>Evaluating the integrity of the general information and technology ('IT') control environment and testing the operating effectiveness of key IT application controls.</li> <li>Understanding the revenue recognition process, evaluating the design and implementation of Parent's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</li> <li>Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> </ul>
2	<p><b>Provision for warranty obligations</b></p> <p>Refer Note 2 (D) (i) under Material accounting policies and key accounting estimates and judgements in relation to provision for warranty obligations and Note 40 of the Consolidated Financial Statements.</p> <p>The Parent estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.</p> <p>Because of the quantitative significance, complexity and level of judgement involved, there is a risk of inaccurate and inadequate provision for warranty obligation.</p>	<p>We carried out a combination of principal audit procedures involving test of internal controls and substantive testing including:</p> <ul style="list-style-type: none"> <li>Understanding the warranty claims process, evaluating the design and implementation of Parent's controls in respect of warranty provisioning.</li> <li>Testing the operating effectiveness of these controls during the year.</li> <li>Carrying out reconciliations with the sales data to determine completeness of transactions on which warranty obligation is determined.</li> <li>Reviewing contracts with customers for terms of warranty contained therein and the estimation of warranty provision on the basis of these terms.</li> <li>Testing of the data and assumptions used in the calculation of the provision for warranty obligations including those relating to estimates of failure percentages, etc.</li> <li>Testing documentation relating to actual warranty replacement and an analysis of the actual failure trend with the estimates used in determining future warranty obligation.</li> </ul>

### Information Other than the Financial Statements and Auditors' Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Annexures to the Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries are traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of two wholly-owned subsidiaries, whose financial statements reflect total assets of ₹ 148.24 crores as at March 31, 2024, total revenues of ₹ 111.82 crores and net cash inflows amounting to ₹ 2.26 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, 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.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors.



- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii) The Group did not have any material foreseeable losses on 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 Parent.
- iv) (a) The respective Managements of the Parent and its subsidiaries which are incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary, respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited

under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with Section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent during the year is in accordance with Section 123 of the Act.

As stated in note 42 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies, incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting

softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of audit, we and respective other auditor, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditor in the CARO reports of the said companies included in the consolidated financial statements.

For **BRAHMAYYA & Co.**  
Chartered Accountants  
(FRN: 000513S)

**Karumanchi Rajaj**  
Partner  
Membership No. 202309  
UDIN:24202309BKERNR2149

Hyderabad, May 28, 2024

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(FRN: 117366W/W-100018)

**R. Prasanna Venkatesh**  
Partner  
Membership No. 214045  
UDIN:24214045BKEKMM7790

Chennai, May 28, 2024

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### **Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of **Amara Raja Energy & Mobility Limited** (formerly known as Amara Raja Batteries Limited) (hereinafter referred to as “Parent”) and its subsidiary company, which is incorporated in India, as of that date. Reporting on the adequacy of internal financial controls with reference to the financial statements of the two wholly-owned subsidiary companies, which are incorporated in India and the operating effectiveness of such controls, under Section 143(3)(i) of the Act is not applicable in view of the exemption available to the subsidiary company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017. Reporting on internal financial controls with reference to financial statements does not apply to one wholly-owned subsidiary Company as it is incorporated outside India.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on “the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which is incorporated in

India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary which are companies incorporated in India.

### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration

For **BRAHMAYYA & Co.**  
Chartered Accountants  
(FRN: 000513S)

**Karumanchi Rajaj**  
Partner  
Membership No. 202309  
UDIN:24202309BKERNR2149

Hyderabad, May 28, 2024

of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, which is incorporated in India, is based solely on the corresponding reports of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(FRN: 117366W/W-100018)

**R. Prasanna Venkatesh**  
Partner  
Membership No. 214045  
UDIN:24214045BKEKKM7790

Chennai, May 28, 2024



# Consolidated Balance Sheet

as at March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>A. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3.1	2,909.45	2,855.45
(b) Right-of-use assets	3.2	408.11	396.59
(c) Capital work-in-progress	3.1	625.52	248.69
(d) Goodwill	4(a)	435.80	427.99
(e) Other intangible assets	4(b)	53.83	66.91
(f) Intangible assets under development	4	15.40	0.76
(g) Financial assets			
(i) Investments	5	360.81	261.67
(ii) Other financial assets	7	13.20	125.19
(h) Deferred tax assets (net)	17	1.70	0.89
(i) Income-tax assets (net)	20	13.11	1.50
(j) Other non-current assets	11	271.41	125.10
<b>Total non-current assets</b>		<b>5,108.34</b>	<b>4,510.74</b>
<b>Current assets</b>			
(a) Inventories	8	1,948.44	1,733.96
(b) Financial assets			
(i) Investments	5	353.09	165.30
(ii) Loans	6	-	88.71
(iii) Trade receivables	9	1,135.84	886.56
(iv) Cash and cash equivalents	10(a)	98.34	94.87
(v) Bank balances other than (iv) above	10(b)	19.46	10.39
(vi) Other financial assets	7	91.89	322.18
(c) Other current assets	11	222.36	149.37
<b>Total current assets</b>		<b>3,869.42</b>	<b>3,451.34</b>
<b>Total assets</b>		<b>8,977.76</b>	<b>7,962.08</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	12	18.30	17.08
(b) Other equity	13	6,780.43	5,989.96
<b>Total equity</b>		<b>6,798.73</b>	<b>6,007.04</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	25.99	80.01
(ii) Lease liabilities	15	75.07	63.50
(b) Provisions	16	183.84	146.30
(c) Deferred tax liabilities (net)	17	90.62	103.98
(d) Other non-current liabilities	21	78.45	83.01
<b>Total non-current liabilities</b>		<b>453.97</b>	<b>476.80</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	27.34	31.05
(ii) Lease liabilities	15	28.29	26.79
(iii) Trade payables	18	-	-
- Total outstanding dues of Micro enterprises and small enterprises		31.96	21.43
- Total outstanding dues of creditors other than Micro enterprises and small enterprises		824.49	736.24
(iv) Other financial liabilities	19	361.40	253.72
(b) Provisions	16	132.77	141.66
(c) Current tax liabilities (net)	20	-	0.32
(d) Other current liabilities	21	318.81	267.03
<b>Total current liabilities</b>		<b>1,725.06</b>	<b>1,478.24</b>
<b>Total equity and liabilities</b>		<b>8,977.76</b>	<b>7,962.08</b>
Corporate information	1		
Material accounting policies and key accounting estimates and judgements	2		

See accompanying notes to the consolidated financial statements

**In terms of our report attached**

**For Brahmayya & Co.**  
Chartered Accountants  
(F.R.N : 000513S)

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(F.R.N : 117366W/W-100018)

**Karumanchi Rajaj**  
Partner  
M. No. 202309

**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

**Jayadev Galla**  
Chairman & Managing Director  
DIN: 00143610

Place: New Delhi  
Date: May 28, 2024

**Vikramadithya Gourineni**  
Executive Director  
DIN: 03167659

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

**Harshavardhana Gourineni**  
Executive Director  
DIN: 07311410

Place: Hyderabad  
Date: May 28, 2024

**Delli Babu Y**  
Chief Financial Officer

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Income</b>			
(I) Revenue from operations	22	11,708.44	10,392.00
(II) Other income	23	110.41	92.37
<b>(III) Total Income (I+II)</b>		<b>11,818.85</b>	<b>10,484.37</b>
<b>(IV) Expenses</b>			
Cost of materials consumed		6,882.83	6,458.54
Purchases of stock-in-trade		1,168.34	487.41
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(191.56)	52.29
Employee benefits expense	25	734.73	651.87
Finance costs	26	34.37	29.60
Depreciation and amortization expense	27	484.33	450.40
Other expenses	28	1,455.59	1,309.96
<b>Total Expenses</b>		<b>10,568.63</b>	<b>9,440.07</b>
<b>(V) Profit before exceptional items and tax (III-IV)</b>		<b>1,250.22</b>	<b>1,044.30</b>
(VI) Exceptional items (net)	30	-	47.65
<b>(VII) Profit before tax (V - VI)</b>		<b>1,250.22</b>	<b>996.65</b>
<b>(VIII) Tax expense</b>			
(i) Current tax		329.12	262.42
(ii) Deferred tax (net)		(13.28)	3.40
<b>Tax expense</b>		<b>315.84</b>	<b>265.82</b>
<b>(IX) Profit for the year (VII - VIII)</b>		<b>934.38</b>	<b>730.83</b>
<b>(X) Other Comprehensive Income/(Loss)</b>			
(i) Items that will not be reclassified to profit or loss :			
(a) Remeasurements of the defined benefit plans		(7.92)	4.15
(b) Net fair value gain / (loss) on investments in financial instruments through Other Comprehensive Income (net of tax)		1.82	104.91
(ii) Items that will be reclassified to profit or loss:			
(a) Exchange difference arising on translation of foreign operation		0.06	0.19
<b>Total Other Comprehensive Income</b>		<b>(6.04)</b>	<b>109.25</b>
<b>(XI) Total comprehensive income for the year (IX + X)*</b>		<b>928.34</b>	<b>840.08</b>
* Attributable to owners of the Company			
<b>Earnings per share (of ₹ 1 /- each)</b>	36		
Basic and Diluted (₹)		51.05	39.93
Corporate information	1		
Material accounting policies and key accounting estimates and judgements	2		

See accompanying notes to the consolidated financial statements

**In terms of our report attached**

**For Brahmayya & Co.**  
Chartered Accountants  
(F.R.N : 0005135)

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(F.R.N : 117366W/W-100018)

**Karumanchi Rajaj**  
Partner  
M. No. 202309

**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

**Jayadev Galla**  
Chairman & Managing Director  
DIN: 00143610

Place: New Delhi  
Date: May 28, 2024

**Vikramadithya Gourineni**  
Executive Director  
DIN: 03167659

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

**Harshavardhana Gourineni**  
Executive Director  
DIN: 07311410

Place: Hyderabad  
Date: May 28, 2024

**Delli Babu Y**  
Chief Financial Officer

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Financial Statements

# Consolidated Cash Flow Statement

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>A. Cash flows from operating activities</b>		
Profit before tax	1,250.22	996.65
<b>Adjustments for:</b>		
Depreciation and amortisation expense	484.33	450.40
Loss on sale of property, plant and equipment (net) / written off	3.99	15.39
Exceptional item (Net) [Refer Note 30]	-	47.65
Gain on sale of property, plant and equipment (net)	(0.01)	-
Gain on de-recognition of Right-of-use assets	(0.14)	(0.38)
Finance costs	34.37	29.60
Interest income on bank deposits and loans	(6.76)	(7.99)
Dividend income	(0.00)	(0.00)
Gain on disposal of mutual fund units	(25.14)	(13.60)
Deferred revenue recognised	(12.30)	(15.70)
Net gain arising on financial assets mandatorily measured at FVTPL	(3.66)	(1.11)
Liabilities no longer required written back	(14.47)	(0.80)
Provision for doubtful trade receivables written back	(1.60)	(2.85)
Provision for doubtful trade receivables	3.24	1.18
Provision for doubtful advances and other receivables	0.58	3.36
Bad trade receivables written off (net)	0.40	0.99
Net unrealised foreign exchange gain/(loss)	0.47	(6.77)
	463.30	499.37
<b>Operating profit before working capital changes</b>	<b>1,713.52</b>	<b>1,496.02</b>
<b>Movements in working capital</b>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
- Trade receivables	(216.87)	(93.63)
- Inventories	(1.79)	(91.83)
- Other assets	(73.42)	(89.52)
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
- Trade payables	85.65	(66.35)
- Other liabilities	94.00	14.93
- Provisions	3.20	31.40
	(109.23)	(295.00)
<b>Cash generated from operations</b>	<b>1,604.29</b>	<b>1,201.02</b>
Income taxes paid (net)	(338.27)	(256.36)
<b>Net cash generated from operating activities [A]</b>	<b>1,266.02</b>	<b>944.66</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(871.45)	(510.77)
Proceeds from sale of property, plant and equipment	2.62	1.16
Insurance proceeds [Refer Note 30]	117.93	-
Purchase consideration on business acquisition (net of cash acquired ₹ 1.05 crores) [Refer Note 47]	(131.95)	-
Purchase of non-current investments	-	(77.82)
Purchase of current investments	(3,795.83)	(2,750.36)
Proceeds from sale / redemption of current investments	3,665.42	2,634.50
Proceeds from sale of non-current investments	-	0.03
Loans given	-	(79.80)
Bank balances not considered as cash and cash equivalents (net)	(8.10)	8.49
Interest received	1.24	1.65
Dividend income	0.00	0.00
<b>Net cash used in investing activities [B]</b>	<b>(1,020.12)</b>	<b>(772.92)</b>

# Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>C. Cash flows from financing activities</b>		
Repayment of borrowings	(57.73)	(11.06)
Payment of lease liabilities	(29.94)	(26.65)
Finance costs (including on lease liabilities)	(18.17)	(16.13)
Dividend paid	(136.65)	(58.08)
<b>Net cash used in financing activities [C]</b>	<b>(242.49)</b>	<b>(111.92)</b>
<b>Net increase in cash and cash equivalents [A+B+C]</b>	<b>3.41</b>	<b>59.82</b>
Cash and cash equivalents at the beginning of the year	94.87	34.86
Exchange differences in translating the financial statements of foreign subsidiary	0.06	0.19
<b>Cash and cash equivalents at the end of the year (Refer Note 10 (a))</b>	<b>98.34</b>	<b>94.87</b>

**Notes:**

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flows.

**(b) Reconciliation of liabilities from financing activities for the year ended March 31, 2024**

	As at March 31, 2023 [Restated]	Acquisition upon business combination [Refer Note 46]	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2024
Borrowings	111.06	-	(57.73)	-	53.33
Lease liabilities	90.29	-	(37.45)	50.52	103.36
<b>Total</b>	<b>201.35</b>	<b>-</b>	<b>(95.18)</b>	<b>50.52</b>	<b>156.69</b>

**Reconciliation of liabilities from financing activities for the year ended March 31, 2023 [Restated]**

	As at March 31, 2022	Acquisition upon business combination [Refer Note 46]	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2023 [Restated]
Borrowings	23.39	98.73	(11.06)	-	111.06
Lease liabilities	102.50	-	(34.17)	21.96	90.29
<b>Total</b>	<b>125.89</b>	<b>98.73</b>	<b>(45.23)</b>	<b>21.96</b>	<b>201.35</b>

See accompanying notes to the consolidated financial statements

**In terms of our report attached**

**For Brahmaya & Co.**  
Chartered Accountants  
(F.R.N : 000513S)

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(F.R.N : 117366W/W-100018)

**Karumanchi Rajaj**  
Partner  
M. No. 202309

**R. Prasanna Venkatesh**  
Partner  
M.No. 214045

Place: Hyderabad  
Date: May 28, 2024

Place: Chennai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

**Jayadev Galla**  
Chairman & Managing Director  
DIN: 00143610

Place: New Delhi  
Date: May 28, 2024

**Vikramadithya Gourineni**  
Executive Director  
DIN: 03167659

**Vikas Sabharwal**  
Company Secretary

Place: Hyderabad  
Date: May 28, 2024

**Harshavardhana Gourineni**  
Executive Director  
DIN: 07311410

Place: Hyderabad  
Date: May 28, 2024

**Delli Babu Y**  
Chief Financial Officer



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## A) Equity share capital

	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	17.08	17.08
Changes in equity share capital during the year	1.22	-
<b>Balance at the end of the year</b>	<b>18.30</b>	<b>17.08</b>

## B) Other equity

	Share application money pending allotment	Reserves and surplus				Foreign Currency Translation Reserve Account	Equity investments through other comprehensive income	Total
		Securities premium	Capital reserve*	General reserve	Retained earnings			
<b>Balance at March 31, 2022</b>	-	31.19	0.00	633.72	3,874.24	0.03	(3.78)	4,535.40
Profit for the year	-	-	-	-	730.83	-	-	730.83
Other comprehensive income for the year, net of income tax	-	-	-	-	4.15	0.19	104.91	109.25
<b>Total comprehensive income for the year 2022-23</b>	-	-	-	-	734.98	0.19	104.91	840.08
Shares pending allotment pursuant to business combination (Refer Note 46)	672.56	-	-	-	-	-	-	672.56
Payment of dividends [Refer Note 42]	-	-	-	-	(58.08)	-	-	(58.08)
Transfer for General reserve	-	-	-	69.44	(69.44)	-	-	-
<b>Balance at March 31, 2023 [Restated]</b>	<b>672.56</b>	<b>31.19</b>	<b>0.00</b>	<b>703.16</b>	<b>4,481.70</b>	<b>0.22</b>	<b>101.13</b>	<b>5,989.96</b>
Profit for the year	-	-	-	-	934.38	-	-	934.38
Other comprehensive income / (loss) for the year, net of income tax	-	-	-	-	(7.92)	0.06	1.82	(6.04)
<b>Total comprehensive income for the year 2023-24</b>	-	-	-	-	926.46	0.06	1.82	928.34
Issue of equity shares pursuant to business combination (Refer Note 46)	(672.56)	671.34	-	-	-	-	-	(1.22)
Payment of dividends [Refer Note 42]	-	-	-	-	(136.65)	-	-	(136.65)
Transfer for General reserve	-	-	-	90.59	(90.59)	-	-	-
<b>Balance at March 31, 2024</b>	-	<b>702.53</b>	<b>0.00</b>	<b>793.75</b>	<b>5,180.92</b>	<b>0.28</b>	<b>102.95</b>	<b>6,780.43</b>

\* Amounts below ₹ 1 Lakh

See accompanying notes to the consolidated financial statements

### In terms of our report attached

#### For Brahmaya & Co.

Chartered Accountants  
(F.R.N : 000513S)

#### For Deloitte Haskins & Sells LLP

Chartered Accountants  
(F.R.N : 117366W/W-100018)

#### Karumanchi Rajaj

Partner  
M. No. 202309

#### R. Prasanna Venkatesh

Partner  
M.No. 214045Place: Hyderabad  
Date: May 28, 2024Place: Chennai  
Date: May 28, 2024

### For and on behalf of the Board of Directors

#### Jayadev Galla

Chairman & Managing Director  
DIN: 00143610Place: New Delhi  
Date: May 28, 2024

#### Harshavardhana Gourineni

Executive Director  
DIN: 07311410Place: Hyderabad  
Date: May 28, 2024

#### Vikramadithya Gourineni

Executive Director  
DIN: 03167659Place: Hyderabad  
Date: May 28, 2024

#### Delli Babu Y

Chief Financial Officer

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

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Financial Statements

## 1. Group Information

The Consolidated Financial Statements comprise financial statements of Amara Raja Energy & Mobility Limited [Formerly known as Amara Raja Batteries Limited] ("the Parent" or "the Company") and its subsidiaries (collectively, "the Group").

The Group is one of the largest manufacturers of lead-acid storage batteries for industrial and automotive applications in India and allied activities. The Group's products are exported to various countries in the Indian Ocean Rim. The Group also provides installation, commissioning and maintenance services. The leading automotive and industrial battery brands of the Group are Amaron®, PowerZone®, Power Stack®, AmaronVolt® and Quanta®. The group is also engaged in the business of developing and manufacturing energy storage and management products, solutions and technologies related to lithium cells or such other Advanced Cell Chemistries (ACC), battery packs and components like chargers etc.

The Board of Directors of the Parent have approved a change in name of the Parent from Amara Raja Batteries Limited to Amara Raja Energy & Mobility Limited. The new name, conveys the Company's commitment to becoming a leader in the energy and mobility sector. It accurately represents current business activities and future aspirations to strengthen market position, enhance brand value, and capitalize on new opportunities.

The change in name of the Parent was approved by the shareholders of the Parent on August 12, 2023. The Parent has also received a fresh certificate of incorporation from the Ministry of Corporate Affairs dated September 27, 2023.

## 2. Material Accounting Policies and Key Accounting Estimates and Judgements

### A. Statement of compliance

These financial statements are the Consolidated Financial Statements of the Group (also called **Consolidated Financial Statements**) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The consolidated financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

### B. Basis of preparation of Consolidated Financial Statements

These Consolidated Financial Statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. These consolidated financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent and its subsidiaries.

The Parent consolidates all the entities where control exists as per Ind AS 110, Consolidated Financial Statements from the date control commences until the date control ceases.

Subsidiaries are entities controlled by the Parent. Control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgment and is disclosed by way of note in the Consolidated Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The Parent re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

the Consolidated Financial Statements from the date the Parent gains control until the date the Parent ceases to control the subsidiary. Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on 31st March.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the Consolidated Financial Statements. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Consolidated Statement of Profit and Loss as it arises and is not reversed.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## C. Operating Cycle

All assets have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

## D. Key accounting estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

### i) Provision for warranty

The Group estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.

### ii) Useful lives of Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

### iii) Fair value measurement of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Group also engages third party qualified valuers to perform the valuation in certain cases. For certain investments in equity instruments, where more recent information to measure fair value is insufficient, or there is a wide range of possible fair value measurements, cost is considered as the

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

best estimate of fair value. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

#### iv) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by independent valuation experts.

#### v) Impairment of Goodwill

Goodwill are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

#### vi) Income Taxes

The Parent's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

#### vii) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Consolidated Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the consolidated financial statements.

#### viii) Insurance Receivable

The amount expected to be reimbursed against a provision is recognised as a separate asset, but only when it is determined to be virtually certain in accordance with the accounting policy.

#### ix) Other estimates

The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

### E. Inventories

Inventories are stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The method of determination of cost of various categories of inventories is as follows:

- (i) **Raw materials and bought-out components, stores and spares and loose tools:** Weighted average cost. Cost includes purchase cost and other attributable expenses.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

(ii) **Finished Goods and Work-in-progress:** Weighted average cost of production which comprises direct material cost, direct wages and appropriate overheads based on normal level of activity.

(iii) **Stock-in-trade:** Weighted average cost.

## F. Property, plant and equipment

### (i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2015 measured as per the Accounting Standards notified under Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014, which the Group elected in accordance with Ind AS 101.

Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or the principal item of the relevant assets, whichever is lower.

Capital work-in-progress are items of property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

### (ii) Depreciation:

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act except in respect of the following category of assets, in which case the life of the assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support, etc., Freehold land is not depreciated.

Asset	Useful lives (in years)
Buildings	3-60
Plant and machinery (including electrical installations and moulds)	1-30
Solar equipment	25
Furniture and fixtures	5-10
Vehicles	3-10
Office equipment	3-5
Computers	3-6

Property, plant and equipment's residual values and useful lives are reviewed at each Consolidated Balance Sheet date and changes, if any, are treated as changes in accounting estimate and accounted for on a prospective basis.

Assets individually costing ₹ 5,000 and below are fully depreciated in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

## G. Business combinations

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value except deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

probable. The consideration transferred is measured at fair value at the acquisition date and includes the fair value of any contingent consideration. Contingent consideration (earn out) is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the Statement of Profit and Loss.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Company after assessing fair value of all identified assets and liabilities, record the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

The transaction costs, other than costs relating to the issue of equity or debt securities in connection with a business combination are expensed as incurred.

## H. Goodwill and Other Intangible assets

Goodwill acquired in a business combination is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, in accordance with Ind AS 103.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Intangible assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered

finite where there is a likelihood of technical and technological obsolescence.

Intangible assets that have a finite lives are amortised over their estimated useful lives as per the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, but the effect of any change in estimates being accounted for on a prospective basis.

Intangible assets comprising software are amortised over a period of 5 years. The amortisation period for Technical Know-how has been assessed as 8 years, representing the period over which economic benefits from the use of Technical Know-how is expected to be utilized.

All intangible assets are tested for impairment. Amortisation expenses, impairment losses and reversal of impairment losses are considered in the Consolidated Statement of Profit and Loss. After initial recognition an intangible asset is carried at its costs less accumulated amortization and / or impairment losses.

## I. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

## J. Foreign currency transactions and translations

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the exchange rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

## Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in consolidated statement of other comprehensive income ('OCI'). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the Consolidated Statement of Profit and Loss.

## K. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant.

Government grants related to revenue are recognised on a systematic basis in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognised as deferred revenue in the Consolidated Balance Sheet and transferred to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

## L. Employee benefits

### (i) Defined contribution plans

The Group's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Consolidated Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

### (ii) Defined benefit plans

For defined benefit plans in the form of gratuity fund, administered under a scheme of the Life Insurance Corporation of India, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The defined benefit obligations recognized in the Consolidated Balance Sheet represents the present value of the defined obligations as reduced by the fair value of plan assets, if applicable. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur and are not reclassified to the Consolidated Statement of Profit and Loss in the subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Consolidated Statement of Profit and Loss.

### (iii) Short term and other long term employee benefits

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Consolidated Statement of Profit and Loss.

## M. Revenue recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at an amount of transaction price (net of returns and discounts) allocated to that performance obligation. The discount is estimated based on the expected value of outflow.

### Sale of goods:

Revenue from sale of products is recognised when control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sales related warranties associated with batteries cannot be purchased separately and they serve as an assurance that the products sold comply with agreed upon specifications. Accordingly, the Group accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

### Sale of services:

Revenue from installation, commissioning and maintenance services is recognised based on the contracts with customers and when the services are rendered by measuring progress towards satisfaction of performance obligation for such services.

### Other Income:

Interest income is recognised using effective interest method. Dividend income is accounted for in the year when the right to receive such dividend is established and the amount of dividend can be measured reliably.

## N. Financial instruments, Financial assets, Financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Consolidated Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Group commits to purchase or sell the asset.

The classification of financial instruments depends on the objective of the Group's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

### (i) Financial assets

**Recognition:** Financial assets include Investments, Trade receivables, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Consolidated Statement of Profit and Loss.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

**Classification:** Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

Trade receivables, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election on an instrument by instrument basis at initial recognition may be made to present subsequent changes in fair value through other comprehensive income. This election is not permitted if the equity instrument is held for trading.

**Impairment:** The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, and

security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

**Reclassification:** When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Consolidated Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously recognized in other comprehensive income and accumulated in the "equity instruments through other comprehensive income" will not be reclassified to profit or loss on disposal of the investments.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## (ii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

### Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

## O. Insurance Claim Receivable

Income from insurance proceeds is recognised when (i) it is virtually certain that a valid and adequate insurance policy exists to cover the insured event entitling the Group to a compensation as per the terms and conditions of the policy and (ii) when the amount of compensation expected to be received for a valid insurance claim made and admitted can be measured reliably. Where the final amount of such compensation is subject to final acceptance / determination by the insurance company pending completion of survey or other required activities, the amount of insurance income recognised is restricted to the amount of the loss or expenses recognised in the statement of profit and loss for the insured event. Any additional amount of compensation is recognised only on final acceptance and determination by the insurance company.

## P. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether, (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## Q. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### Current Tax

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from "Profit before tax" as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the tax laws. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the

initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the parent and subsidiary Company as per their applicable laws and then aggregated. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## R. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

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 embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

embodying economic benefits is remote, no provision or disclosure is made.

## S. Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment.

## T. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

## U. Cash and cash equivalents

Cash and cash equivalents for purposes of cash flow statement include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

## V. Exceptional items

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Group is treated as an exceptional item in the Statement of Profit and Loss account.

## W. Application of new accounting pronouncements

The Group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2023 with effect from April 1, 2023. The effect is described as below:

- Ind AS 1 – Presentation of Financial Statements – The amendment requires disclosure of material accounting policies instead of significant accounting policies. In the Consolidated Financial Statements the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is insignificant.
- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The amendment has defined accounting estimate as well as laid down the treatment of accounting estimate to achieve the objective set out by accounting policy. There is no impact of the amendment on the Consolidated Financial Statements.
- Ind AS 12 – Income taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Consolidated Financial Statements.





# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 3.1: Property, plant and equipment and capital work-in-progress

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Carrying amounts of:</b>		
Freehold Land	207.12	79.08
Leasehold improvements	7.14	2.50
Buildings	736.69	740.99
Plant and Equipment (including electrical installations)	1,877.31	1,951.08
Furniture and fixtures	17.39	16.25
Vehicles	21.46	22.23
Office equipment	26.23	30.48
Computers	16.11	12.84
	<b>2,909.45</b>	<b>2,855.45</b>
Capital work-in-progress [Refer note (iii)]	625.52	248.69
	<b>625.52</b>	<b>248.69</b>

	Freehold land	Leasehold improvements	Buildings	Plant and Equipment (including electrical installations)	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>(A) Cost or deemed cost</b>									
Balance at March 31, 2022	1.24	49.76	806.12	2,785.56	25.35	27.33	83.27	33.21	3,811.84
Acquisition through business combination [Refer Note 46]	77.84	-	69.58	165.10	2.69	0.71	0.26	0.48	316.66
Additions	-	-	127.60	892.81	2.68	7.68	8.53	9.99	1,049.29
Disposals	-	-	(78.49)	(312.10)	(1.18)	(3.45)	(0.89)	(1.98)	(398.09)
Balance at March 31, 2023 [Restated]	79.08	49.76	924.81	3,531.37	29.54	32.27	91.17	41.70	4,779.70
Acquisition of Subsidiary [Refer Note 47]	40.00	-	19.82	2.58	-	0.65	0.06	0.09	63.20
Additions	88.04	4.92	16.88	286.29	4.22	8.64	5.43	8.16	422.58
Disposals	-	-	(4.47)	(131.73)	(0.03)	(5.22)	(0.36)	(1.09)	(142.90)
Balance at March 31, 2024	207.12	54.68	957.04	3,688.51	33.73	36.34	96.30	48.86	5,122.58
<b>(B) Accumulated depreciation and impairment</b>									
Balance at March 31, 2022	-	47.18	162.92	1,375.96	11.07	7.98	52.17	26.97	1,684.25
Depreciation expense	-	0.08	36.95	340.87	2.95	3.59	9.22	3.72	397.38
Impairment loss [Refer Note 30]	-	-	62.35	154.24	0.45	-	0.17	0.09	217.30
Eliminated on disposal	-	-	(78.40)	(290.78)	(1.18)	(1.53)	(0.87)	(1.92)	(374.68)
Balance at March 31, 2023 [Restated]	-	47.26	183.82	1,580.29	13.29	10.04	60.69	28.86	1,924.25
Depreciation expense	-	0.28	40.71	360.01	3.05	7.18	9.68	4.88	425.79
Eliminated on disposal	-	-	(4.18)	(129.10)	-	(2.34)	(0.30)	(0.99)	(136.91)
Balance at March 31, 2024	-	47.54	220.35	1,811.20	16.34	14.88	70.07	32.75	2,213.13
<b>(C) Carrying amount</b>									
Balance at March 31, 2023 [Restated]	79.08	2.50	740.99	1,951.08	16.25	22.23	30.48	12.84	2,855.45
Balance at March 31, 2024	207.12	7.14	736.69	1,877.31	17.39	21.46	26.23	16.11	2,909.45

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Notes:

- (i) The amount of expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in-progress) in the course of construction is ₹ 7.87 crores (March 31, 2023: ₹ 15.73 crores) [Refer Note 38].
- (ii) Land admeasuring 18.94 acres amounting to ₹ 77.84 crores is registered in the name of Mangal Industries Limited, erstwhile Company from which plastic component business was demerged and merged with the Parent pursuant to the Scheme of Arrangement approved by Hon'ble National Company Law Tribunal [Refer Note 46]. The aforementioned land parcel is pending registration in the name of the Parent.
- (iii) Capital work-in-progress ageing schedule

### Ageing schedule as at March 31, 2024

	Amount in capital work-in-progress for a period of				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	553.46	37.15	33.94	0.97	625.52
	<b>553.46</b>	<b>37.15</b>	<b>33.94</b>	<b>0.97</b>	<b>625.52</b>

Capital-work-in progress where completion is overdue compared to its original plan:

	To be completed in				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Captive Solar Plant Expansion	37.81	-	-	-	37.81
	<b>37.81</b>	-	-	-	<b>37.81</b>

### Ageing schedule as at March 31, 2023

	Amount in capital work-in-progress for a period of				As at March 31, 2023 [Restated]
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress *	183.41	56.24	9.04	-	248.69
	<b>183.41</b>	<b>56.24</b>	<b>9.04</b>	-	<b>248.69</b>

\* There are no capital work-in-progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 3.2 : Right-of-use assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Carrying amounts of:</b>		
Leasehold land	243.62	242.79
Buildings	146.49	135.60
Plant and Equipment (including electrical installations)	17.65	17.84
Office equipment		0.01
Computers	0.35	0.35
	<b>408.11</b>	<b>396.59</b>

	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment	Computers	Total
<b>(A) Cost or deemed cost</b>						
<b>Balance at March 31, 2022</b>	<b>118.76</b>	<b>186.65</b>	<b>18.49</b>	<b>0.01</b>	<b>0.35</b>	<b>324.26</b>
Acquisition through business combination [Refer Note 46]	25.85	-	-	-	-	25.85
Additions	103.21	16.89	-	-	-	120.10
Disposals	-	(11.60)	-	-	-	(11.60)
<b>Balance at March 31, 2023 [Restated]</b>	<b>247.82</b>	<b>191.94</b>	<b>18.49</b>	<b>0.01</b>	<b>0.35</b>	<b>458.61</b>
Additions	3.73	45.10	-	-	-	48.83
Disposals	-	(20.37)	-	-	-	(20.37)
<b>Balance at March 31, 2024</b>	<b>251.55</b>	<b>216.67</b>	<b>18.49</b>	<b>0.01</b>	<b>0.35</b>	<b>487.07</b>
<b>(B) Accumulated amortisation and impairment</b>						
<b>Balance at March 31, 2022</b>	<b>2.93</b>	<b>35.69</b>	<b>0.46</b>	<b>0.00</b>	<b>0.00</b>	<b>39.08</b>
Amortisation expense	2.10	30.18	0.19	-	-	32.47
Eliminated on disposal	-	(9.53)	-	-	-	(9.53)
<b>Balance at March 31, 2023 [Restated]</b>	<b>5.03</b>	<b>56.34</b>	<b>0.65</b>	<b>0.00</b>	<b>0.00</b>	<b>62.02</b>
Amortisation expense	2.90	32.33	0.19	0.01	-	35.43
Eliminated on disposal	-	(18.49)	-	-	-	(18.49)
<b>Balance at March 31, 2024</b>	<b>7.93</b>	<b>70.18</b>	<b>0.84</b>	<b>0.01</b>	<b>0.00</b>	<b>78.96</b>
<b>(C) Carrying amount</b>						
<b>Balance at March 31, 2023 [Restated]</b>	<b>242.79</b>	<b>135.60</b>	<b>17.84</b>	<b>0.01</b>	<b>0.35</b>	<b>396.59</b>
<b>Balance at March 31, 2024</b>	<b>243.62</b>	<b>146.49</b>	<b>17.65</b>	<b>-</b>	<b>0.35</b>	<b>408.11</b>

### Note:

Leasehold land admeasuring 15.66 acres amounting to ₹ 25.85 crores is registered in the name of Mangal Industries Limited, erstwhile Company from which plastic component business was demerged and merged with the Parent pursuant to the Scheme of Arrangement approved by Hon'ble National Company Law Tribunal [Refer Note 46]. The aforementioned lease is pending to be registered in the name of the Parent.

\* Amount below ₹ 1 lakh

# Notes to the Consolidated Financial Statements

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All amounts are in ₹ crores, except share data and where otherwise stated

## Note 4: Goodwill and Other Intangible Assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Carrying amounts of:</b>		
<b>(a) Goodwill</b>		
Goodwill [Refer Note 46, 47 and note (i) below]	435.80	427.99
	<b>435.80</b>	<b>427.99</b>
<b>(b) Other Intangible Assets</b>		
Technical Know-how	34.40	45.17
Software	19.43	21.74
	<b>53.83</b>	<b>66.91</b>
<b>Total (a) + (b)</b>	<b>489.63</b>	<b>494.90</b>
Intangible assets under development [Refer Note (ii) below]	15.40	0.76
	<b>15.40</b>	<b>0.76</b>

	Goodwill	Technical Know-how	Software	Total
<b>(A) Cost or deemed cost</b>				
<b>Balance at March 31, 2022</b>	-	<b>73.70</b>	<b>39.98</b>	<b>113.68</b>
Acquisition through business combination [Refer Note 46]	-	-	1.42	1.42
Additions	427.99	-	6.91	434.90
Disposals	-	-	0.00	0.00
<b>Balance at March 31, 2023 [Restated]</b>	<b>427.99</b>	<b>73.70</b>	<b>48.31</b>	<b>550.00</b>
Acquisition of subsidiary [Refer Note 47]	7.81	3.33	1.23	12.37
Additions	-	-	6.64	6.64
Disposals	-	-	(6.58)	(6.58)
<b>Balance at March 31, 2024</b>	<b>435.80</b>	<b>77.03</b>	<b>49.60</b>	<b>562.43</b>
<b>(B) Accumulated amortisation and impairment</b>				
<b>Balance at March 31, 2022</b>	-	<b>14.91</b>	<b>19.24</b>	<b>34.15</b>
Amortisation expense	-	13.62	7.33	20.95
Eliminated on disposal	-	-	-	-
<b>Balance at March 31, 2023 [Restated]</b>	-	<b>28.53</b>	<b>26.57</b>	<b>55.10</b>
Amortisation expense	-	14.10	9.64	23.74
Eliminated on disposal	-	-	(6.04)	(6.04)
<b>Balance at March 31, 2024</b>	-	<b>42.63</b>	<b>30.17</b>	<b>72.80</b>
<b>(C) Carrying amount</b>				
<b>Balance at March 31, 2023 [Restated]</b>	<b>427.99</b>	<b>45.17</b>	<b>21.74</b>	<b>494.90</b>
<b>Balance at March 31, 2024</b>	<b>435.80</b>	<b>34.40</b>	<b>19.43</b>	<b>489.63</b>

### Note:

#### (i) Allocation of Goodwill to cash generating units

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash Generating Units (CGU) or groups of CGUs, which benefit from the synergies of the acquisition and is assessed as primarily to be the lead acid batteries business.

The Group tests goodwill on an annual basis and whenever there is an indication that the CGU to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

disposal. Where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions, the recoverable amount is determined by value-in-use. In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable. As at March 31, 2024, based on the Group's assessment of the recoverable amount duly considering the prevailing market factors and other information related to the lead acid batteries business, no impairment indicators exist.

## (ii) Intangible assets under development ageing schedule \*

	Amount in intangible assets under development for a period of				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	15.36	0.04	-	-	15.40
	<b>15.36</b>	<b>0.04</b>	-	-	<b>15.40</b>

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2023 [Restated]
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	0.76	-	-	-	0.76
	<b>0.76</b>	-	-	-	<b>0.76</b>

\* There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2024 and March 31, 2023. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

## Note 5: Investments

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
<b>(I) Investments in equity instruments</b>		
<b>(a) Quoted investments (fully paid) [at FVTOCI]</b>		
(i) Standard Batteries Limited 125 (March 31, 2023: 125) equity shares of ₹ 1 each *	0.00	0.00
(ii) Nicco Corporation Limited 25 (March 31, 2023: 25) equity shares of ₹ 2 each *	0.00	0.00
(iii) Exide Industries Limited 10,000 (March 31, 2023: 10,000) equity shares of ₹ 1 each	0.30	0.18
(iv) HBL Power Systems Limited 5,500 (March 31, 2023: 5,500) equity shares of ₹ 1 each	0.25	0.05
<b>Total aggregate quoted equity investments at FVTOCI</b>	<b>0.55</b>	<b>0.23</b>
<b>(b) Quoted investments (fully paid) [at FVTPL]</b>		
Union Bank of India Limited 14,820 equity shares of ₹ 10 each	0.23	-
<b>Total aggregate quoted equity investments at FVTPL</b>	<b>0.23</b>	-
<b>Total aggregate quoted investments [A]</b>	<b>0.78</b>	<b>0.23</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Unquoted investments (fully paid)</b>		
<b>(a) Investments at FVTOCI</b>		
(i) Indian Lead Limited 1,128 (March 31, 2023: 1,128) equity shares of ₹ 10 each *	0.00	0.00
(ii) Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2023: 1,206,000) equity shares of ₹ 10 each [also refer footnote (i) and footnote (i) to Note 41D in respect of the investment]	-	-
(iii) Log 9 Materials Scientific Private Limited 22,524 (March 31, 2023: 22,524) equity shares of ₹ 1 each [also refer footnote (ii) to Note 41D]	51.15	51.15
(iv) Inobat AS [Formerly known as Inobat Auto AS] 53,50,114 (March 31, 2023: 1,600) equity shares of 0.25 NOK each [also refer footnote (ii) to Note 41D]	99.41	0.82
<b>Total aggregate unquoted investments [B]</b>	<b>150.56</b>	<b>51.97</b>
<b>Total investments in equity instruments [C = A+B]</b>	<b>151.34</b>	<b>52.20</b>
<b>(II) Investment in Preference Shares</b>		
<b>Unquoted investments (fully paid) [at FVTOCI]</b>		
(i) Log 9 Materials Scientific Private Limited 92,263 (March 31, 2023: 92,263) Compulsorily Convertible Preference Shares of ₹ 100 each [D] [also refer footnote (ii) to Note 41D]	209.46	209.46
<b>(III) Investments carried at amortised cost</b>		
6 years National Savings Certificates (Refer Note below) [E]	0.01	0.01
<b>Total Non-current investments [F=C+D+E]</b>	<b>360.81</b>	<b>261.67</b>
<b>Note:</b>		
The 6 years National Savings Certificates have been lodged as security with government departments.		
Aggregate book value of quoted investments - at cost	0.05	0.01
Aggregate market value of quoted investments	0.78	0.23
Aggregate amount of unquoted investments	360.02	261.43
Aggregate amount of impairment in value of investments	15.71	15.71
* Amounts below ₹ 1 lakh		
<b>Current</b>		
<b>Investments mandatorily measured at fair value through profit or loss (FVTPL)</b>		
<b>Quoted investments in mutual funds</b>		
SBI Savings Fund - Regular Plan - Growth Nil (March 31, 2023: 1,53,94,792.16 units of ₹ 35.41)	-	54.51
SBI Liquid Fund - Direct Growth 64,905.44 units of ₹ 3779.28 (March 31, 2023: 1,11,492.48 units of ₹ 3496.08)	24.53	38.98
SBI Savings Fund - Direct Plan - Growth 4,09,92,844.31 units of ₹ 40.44 (March 31, 2023: 41,84,247.49 units of ₹ 37.57 )	165.77	15.72
ICICI Ultra Short Term Fund - Direct Plan - Growth 74,17,186.06 units of ₹ 27.23 (March 31, 2023: Nil)	20.20	-
UTI - Liquid Cash Plan - Direct Growth Plan Nil (March 31, 2023: 2,299.35 units of ₹ 3,689.41)	-	0.85
UTI - Ultra Short Term Fund - Direct Growth Plan 76,353.96 of ₹ 4,137.54 (March 31, 2023: 1,43,555.84 units of ₹ 3,848.19)	31.59	55.24
UTI Money Market Fund - Direct Growth Plan 70,895.85 units of ₹ 2,837.22 (March 31, 2023: Nil)	20.11	-
Aditya Birla Sunlife Saving Fund - Growth Direct Plan 17,95,510.63 units of ₹ 506.20 (March 31, 2023: Nil)	90.89	-
<b>Total Quoted investments measured at FVTPL</b>	<b>353.09</b>	<b>165.30</b>
<b>Total Current investments</b>	<b>353.09</b>	<b>165.30</b>
* Amounts below ₹ 1 lakh		
Aggregate book value of quoted investments - at cost	349.51	164.19
Aggregate market value of quoted investments	353.09	165.30

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 6: Loans

	As at March 31, 2024	As at March 31, 2023 [Restated]
Measured at amortised cost		
<b>Current</b>		
Loans to other entities [Refer Note below]		
- Considered good - Unsecured	-	88.71
<b>Total</b>	-	<b>88.71</b>

### Note:

- (ii) The Parent as part of its strategic initiative to venture into new energy business and EV batteries had entered into a transaction agreement with Inobat AS [Formerly known as Inobat Auto AS], Oslo Norway ('InoBat Auto') for investment by way of conditionally convertible instruments in Inobat Auto for a value of Euro 9.90 Million. Due to the conditions not being met, the investment had been classified as loan as per terms of the agreement and is recoverable within a period of 1 year from the date of initial investment along with simple interest @ 8% p.a. The parties entered into an amendment agreement dated May 5, 2023 to extend the tenure by another six months.

Subsequent to the amendment agreement, the parties entered into another amendment agreement dated October 26, 2023 to convert the principal and interest portion of the loan into equity based on the terms and conditions. Consequently, the debt instrument was de-recognised and the equity instrument has been recognised at the conversion price which is representative of the fair value.

## Note 7: Other financial assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
(a) Security deposits*	12.79	18.76
(b) Insurance claim receivable (Refer Note 30)	-	106.43
(c) Balances held as margin money against guarantees given	0.41	-
<b>Total</b>	<b>13.20</b>	<b>125.19</b>

\* Includes to related parties ₹ 4.84 crores (As at March 31, 2023: ₹ 4.48 crores)

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Current</b>		
(a) Advances to related parties:		
(i) Reimbursable expenses	8.29	26.59
(b) Security deposits	6.36	2.18
(c) Interest accruals:		
(i) Interest accrued on loans and deposits	3.65	8.91
(ii) Interest accrued on overdue trade receivables	0.03	0.02
(d) Insurance claim and receivable (Refer Note 30)	73.55	284.48
(e) Other receivables	0.01	-
<b>Total</b>	<b>91.89</b>	<b>322.18</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 8: Inventories

(at lower of cost and net realisable value)

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Raw materials and bought-out components	631.95	611.98
(b) Work-in-progress	404.39	360.41
(c) Finished goods	600.36	506.38
(d) Stock-in-trade (goods purchased for resale)	197.02	140.69
(e) Stores and spares (including secondary packing material)	113.20	113.08
(f) Loose tools and others	1.52	1.42
<b>Total</b>	<b>1,948.44</b>	<b>1,733.96</b>
Raw materials includes material-in-transit	115.52	99.21

### Notes:

- The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss, Notes 24 and 28. During the previous year, an amount of ₹ 199.43 crores has been recognised as loss of inventories on account of fire accident (Refer Note 30).
- The cost of inventories recognised as an expense includes ₹ 1.92 crores (during 2022-23: ₹ 3.38 crores) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil crores (during 2022-23: ₹ Nil) in respect of reversal of such write-downs.
- There are no inventories expected to be liquidated after more than twelve months.
- The mode of valuation of inventories has been stated in Note 2.E.

## Note 9: Trade receivables

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Unsecured, considered good	1,135.84	886.56
(b) Considered doubtful	6.39	3.69
	<b>1,142.23</b>	<b>890.25</b>
Less: Allowance for doubtful receivables	(6.39)	(3.69)
<b>Total</b>	<b>1,135.84</b>	<b>886.56</b>

### Trade Receivables ageing schedule

	Not due	Outstanding for following periods from due date of payment					As at March 31, 2024
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Trade receivables - Unsecured</b>							
(i) Undisputed, considered good	975.35	151.33	4.39	4.03	0.74	-	1,135.84
(ii) Undisputed, considered doubtful	0.18	0.07	0.47	0.80	0.48	2.97	4.97
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	-	1.42	1.42
	<b>975.53</b>	<b>151.40</b>	<b>4.86</b>	<b>4.83</b>	<b>1.22</b>	<b>4.39</b>	<b>1,142.23</b>
Less: Allowance for doubtful receivables			-				(6.39)
<b>Total</b>							<b>1,135.84</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	Not due	Outstanding for following periods from due date of payment					As at March 31, 2023 [Restated]
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Trade receivables - Unsecured</b>							
(i) Undisputed, considered good	796.57	87.80	2.19	-	-	-	886.56
(ii) Undisputed, considered doubtful	-	-	-	1.54	0.12	0.29	1.95
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	0.28	1.46	1.74
	<b>796.57</b>	<b>87.80</b>	<b>2.19</b>	<b>1.54</b>	<b>0.40</b>	<b>1.75</b>	<b>890.25</b>
Less: Allowance for doubtful receivables							(3.69)
<b>Total</b>							<b>886.56</b>

**Notes:**

- (i) The average credit period for after market sales is one week and for sales to other customers is in the range of 30 - 180 days. No interest is charged on overdue receivables, except for overdue balances of related parties.
- (ii) Of the trade receivables balance, ₹ 224.58 crores (as at March 31, 2023: ₹ 150.03 crores) is due from two of the Group's large customers (March 31, 2023: one of the Group's large customer). There are no other customers who represent more than 10% of the total balance of trade receivables.
- (iii) The Group has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

**(iv) Movement in the expected credit loss allowance**

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Balance at the beginning of the year	3.69	6.75
Add: Provision created during the year	3.24	1.18
Add: Provision on account of business acquisition [ Refer note 47]	1.94	-
Less: Provision reversed during the year	(1.60)	(4.24)
Less: Provision released during the year/others	(0.88)	-
<b>Balance at the end of the year</b>	<b>6.39</b>	<b>3.69</b>

**Note 10 (a): Cash and cash equivalents**

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Balances with banks		
(i) in current accounts	30.69	48.66
(ii) in EEFC accounts	67.49	44.11
(b) Cash on hand	-	0.00*
(c) Cheques on hand	0.16	2.10
<b>Cash and cash equivalents as per the cash flow statement</b>	<b>98.34</b>	<b>94.87</b>

\*Amount below ₹ 1 Lakh

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 10 (b): Other bank balances

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) In deposit accounts		
(i) original maturity more than 3 months but less than 12 months	4.46	6.43
(b) In earmarked accounts		
(i) Dividend accounts	2.90	3.06
(ii) Balances held as margin money against guarantees given	12.10	0.90
<b>Total</b>	<b>19.46</b>	<b>10.39</b>

## Note 11: Other assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
(a) Capital advances	129.47	43.46
(b) Capital advances to related parties	48.70	15.90
(c) Prepaid expenses	1.36	2.32
(d) Balances with government authorities	40.88	16.45
(e) Advance to employees	0.03	-
(f) Other deposits (Electricity deposits, for other utilities, etc.)	50.97	46.97
<b>Total</b>	<b>271.41</b>	<b>125.10</b>
<b>Current</b>		
(a) Contractually reimbursable expenses	3.79	4.04
(b) Commercial advances	116.66	82.61
(c) Advances to employees	2.19	0.49
(d) Balances with government authorities (Advances, GST credit and VAT credit)	47.52	20.98
(e) Prepaid expenses	23.44	14.78
(f) Other receivables (export incentives, etc.)	24.30	22.70
(g) Balance in Gratuity Fund (net of obligations) [Refer Note 33]	4.46	3.77
<b>Total</b>	<b>222.36</b>	<b>149.37</b>

## Note 12: Equity share capital

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>(a) Authorised</b>				
Equity shares of ₹ 1/- each	20,00,00,000	20.00	20,00,00,000	20.00
<b>(b) Issued</b>				
Equity shares of ₹ 1/- each	18,72,41,364	18.72	17,50,28,500	17.50
<b>(c) Subscribed and fully paid-up</b>				
Equity shares of ₹ 1/- each	18,30,25,364	18.30	17,08,12,500	17.08
	<b>18,30,25,364</b>	<b>18.30</b>	<b>17,08,12,500</b>	<b>17.08</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Notes:

### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Equity shares	Number of shares	Share capital (Amount)
<b>Balance at March 31, 2022</b>	<b>17,08,12,500</b>	<b>17.08</b>
Changes during year	-	-
<b>Balance at March 31, 2023</b>	<b>17,08,12,500</b>	<b>17.08</b>
Issue of shares during the year [Refer Note 46]	1,22,12,864	1.22
<b>Balance at March 31, 2024</b>	<b>18,30,25,364</b>	<b>18.30</b>

### (ii) Rights, preferences and restrictions attached to the equity shares:

The Parent has only one class of shares referred to as equity shares having a face value of ₹ 1 each. Each holder of equity share is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Parent after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

### (iii) Details of equity shares held by each shareholder holding more than 5% of the equity shares:

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	%	Number of shares	%
RNGalla Family Private Limited	6,01,45,316	32.86	4,79,32,452	28.06
Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP)	-	-	2,39,13,750	14.00
Nalanda India Equity Fund Limited	1,68,80,938	9.22	1,68,80,938	9.88
Life Insurance Corporation of India	1,23,54,916	6.75	1,23,54,916	7.23

### (iv) Details of equity shares held by promoters at the end of the year

Promoter Name	As at March 31, 2024		As at March 31, 2023		% change during the year
	Number of shares	%	Number of shares	%	
RNGalla Family Private Limited	6,01,45,316	32.86	4,79,32,452	28.06	25.48%

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 13: Other equity

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>(a) General reserve</b>	793.75	703.16
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Group in accordance with the provisions of the Companies Act, 2013.		
<b>(b) Capital reserve*</b>	0.00	0.00
Any profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments is transferred to capital reserve.		
<b>(c) Securities premium</b>	702.53	31.19
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>(d) Equity instruments through other comprehensive income</b>	102.95	101.13
Change in fair value of equity instruments through other comprehensive income.		
<b>(e) Retained earnings</b>	5,180.92	4,481.70
Retained earnings represents the cumulative undistributed profits of the Group and can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>(f) Foreign Currency Translation Reserve</b>	0.28	0.22
This reserve contains balance of foreign exchange differences from translation of financial statements of the Group's foreign subsidiary arising at the time of consolidation of such subsidiary. Exchange differences accounted in this reserve are reclassified to profit or loss on the disposal of the foreign subsidiary.		
<b>(g) Share application money pending allotment [Refer Note 46]</b>	-	672.56
The amount represents fair value of consideration paid pursuant to business combination.		
<b>Total</b>	<b>6,780.43</b>	<b>5,989.96</b>

\*Amount below ₹ 1 Lakh

## Note 14: Borrowings

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
<b>Secured - at amortised cost</b>		
Term Loans from bank		
- State Bank of India [Refer Note (i) below]	25.99	70.37
<b>Unsecured - at amortised cost</b>		
Deferred Payment Liabilities		
Sales tax deferment loans [Refer Note (ii) below]	-	9.64
<b>Total</b>	<b>25.99</b>	<b>80.01</b>
<b>Current</b>		
<b>Secured - at amortised cost</b>		
Term Loans from bank		
- State Bank of India [Refer Note (i) below]	17.70	24.17
<b>Unsecured - at amortised cost</b>		
Sales tax deferment loans [Refer Note (ii) below]	9.64	6.88
<b>Total</b>	<b>27.34</b>	<b>31.05</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Notes:

- (i) Details of terms of repayment and security provided in respect of term loans from banks:

The loan is secured by hypothecation of plant and machinery of plastic component division.

Borrowings Repayable	Rate of Interest	Remaining Number of installments	Balance amount As at March 31, 2024
(a) ₹ 19.86 crores term loan repayable in 13 quarterly installments commencing from April 1, 2022	3 Months MCLR + 0.1%	5	7.52
(b) ₹ 48.87 crores term loan repayable in 18 quarterly installments commencing from January 1, 2022	6 Months MCLR + 0.1%	13	36.17

Borrowings Repayable	Rate of Interest	Remaining Number of installments	Balance amount As at March 31, 2023
(a) ₹ 19.86 crores term loan repayable in 13 quarterly installments commencing from April 1, 2022	3 Months MCLR + 0.1%	9	13.69
(b) ₹ 48.87 crores term loan repayable in 18 quarterly installments commencing from January 1, 2022	6 Months MCLR + 0.1%	17	50.85
(c) ₹ 30 crores term loan repayable in 48 quarterly installments commencing from March 15, 2024	6 Months MCLR + 0.1%	48	30.00

Pursuant to the scheme of arrangement approved by Hon'ble National Company Law Tribunal which is effective from February 1, 2024, term loans transferred to the Parent are pending to be transferred in its name. Subsequent to the Balance Sheet date, the term loan has been transferred in the name of the Parent.

- (ii) The interest free sales tax deferment loans were availed by the Parent under the Government of Andhra Pradesh TARGET 2000 New Industrial Policy as per which the loans are repayable at the end of the 14th year from the year in which these loans were availed. The Parent has also entered into agreements with the Deputy Commissioner of Commercial Taxes, Chittoor in respect of the aforementioned loans as per which the repayment schedule of the loans have been determined as being repayable at the end of the 14th year from the month in which these loans were availed. The Management is however of the view that these loans are repayable at the end of the 14th year from the year in which these loans were availed in terms of the sanction of these loans by the Government of Andhra Pradesh, Commissionerate of Industries and are accordingly making a yearly repayment of these loans.

## Note 15: Lease Liabilities\*

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
Lease liabilities	75.07	63.50
<b>Total</b>	<b>75.07</b>	<b>63.50</b>
<b>Current</b>		
Lease Liabilities	28.29	26.79
<b>Total</b>	<b>28.29</b>	<b>26.79</b>

\* Also refer Note 37

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 16 : Provisions

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
<b>Employee benefits</b>		
- Compensated absences	29.23	24.94
- Gratuity [Refer Note 33]	0.09	-
<b>Other provisions</b>		
- Product warranty [Refer Note 40]	154.52	121.36
<b>Total</b>	<b>183.84</b>	<b>146.30</b>
<b>Current</b>		
<b>Employee Benefits</b>		
- Compensated absences	7.51	5.67
- Gratuity [Refer Note 33]	-	0.06
<b>Other provisions</b>		
- Product warranty [Refer Note 40]	125.26	135.93
<b>Total</b>	<b>132.77</b>	<b>141.66</b>

## Note 17: Deferred tax assets / liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Deferred tax assets	1.70	0.89
(b) Deferred tax liabilities	(90.62)	(103.98)
<b>Total</b>	<b>(88.92)</b>	<b>(103.09)</b>

2023-2024 Deferred tax (liabilities) / assets in relation to:	Opening balance	Adjustment on account of business acquisition [Refer Note 47]	Recognised in profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(77.05)	(2.69)	4.17	-	(75.57)
Financial assets measured at fair value	(36.73)	(0.11)	(0.64)	1.50	(35.98)
Provision for doubtful receivables	1.06	0.61	0.01	-	1.68
Provision for employee benefits	8.50	0.53	4.13	-	13.16
Others	1.13	1.05	5.61	-	7.79
	<b>(103.09)</b>	<b>(0.61)</b>	<b>13.28</b>	<b>1.50</b>	<b>(88.92)</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

2022-2023 Deferred tax (liabilities) / assets in relation to :	Opening balance	Adjustment on account of business combination [Refer Note 46]	Recognised in profit and loss	Recognised in other comprehensive income	Closing balance [Restated]
Property, plant and equipment	(45.04)	(32.50)	0.49	-	(77.05)
Financial assets measured at fair value	5.32	-	(5.56)	(36.49)	(36.73)
Provision for doubtful receivables	1.70	-	(0.64)	-	1.06
Provision for employee benefits	6.65	0.67	1.18	-	8.50
Others	-	-	1.13	-	1.13
	<b>(31.37)</b>	<b>(31.83)</b>	<b>(3.40)</b>	<b>(36.49)</b>	<b>(103.09)</b>

## Note 18: Trade payables

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Total outstanding dues of Micro enterprises and small enterprises [Refer Note 32]	31.96	21.43
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	824.49	736.24
	<b>856.45</b>	<b>757.67</b>

### Trade Payables ageing schedule

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2024
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	31.96	-	-	-	-	31.96
(ii) Other than MSME	517.85	139.42	3.59	1.33	3.63	665.82
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	158.67	-	-	-	-	158.67
	<b>708.48</b>	<b>139.42</b>	<b>3.59</b>	<b>1.33</b>	<b>3.63</b>	<b>856.45</b>

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2023 [Restated]
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	21.43	-	-	-	-	21.43
(ii) Other than MSME	483.14	97.45	0.80	0.14	3.93	585.46
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	150.78	-	-	-	-	150.78
	<b>655.35</b>	<b>97.45</b>	<b>0.80</b>	<b>0.14</b>	<b>3.93</b>	<b>757.67</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 19: Other financial liabilities

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Current</b>		
(a) Unpaid dividends	2.90	3.06
(b) Interest accrued and due on borrowing	-	0.68
(c) Other payables:		
(i) Payables on purchase of property, plant and equipment	117.47	68.31
(ii) Others (employee related, others) [Refer Note below]	241.03	181.67
<b>Total</b>	<b>361.40</b>	<b>253.72</b>

### Note:

Other liabilities includes employees related payables (including payable to Chairman & Managing Director and Executive Directors), commission payable to Other Directors, outstanding liabilities for incentives and trade schemes, etc.

## Note 20: Income tax assets /liabilities (net)

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-Current</b>		
Advance tax / TDS receivable (net of provisions)	13.11	1.50
<b>Total</b>	<b>13.11</b>	<b>1.50</b>
<b>Current</b>		
Income tax payable (net of advance tax)	-	0.32
<b>Total</b>	<b>-</b>	<b>0.32</b>

## Note 21: Other liabilities

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Non-current</b>		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	78.34	83.01
(ii) Others	0.11	-
<b>Total</b>	<b>78.45</b>	<b>83.01</b>
<b>Current</b>		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	11.71	11.15
(b) Statutory remittances (GST, PF, VAT, TDS, etc.)	113.91	77.88
(c) Advances from customers	57.59	66.76
(d) Accruals relating to trade promotion schemes	135.60	111.24
<b>Total</b>	<b>318.81</b>	<b>267.03</b>

### Note:

The deferred revenue of ₹ 90.05 crores (March 31, 2023: ₹ 94.16 crores) arises primarily as a result of duty benefit received on import of plant and equipment under Export Promotion Capital Goods (EPCG) schemes of the Government of India. It also includes subsidy received on lease of immovable property from State Industries Promotion Corporation of Tamil Nadu. The deferred revenue will be recognised in the Statement of Profit and Loss in the proportion of depreciation charged on such assets.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 22: Revenue from operations

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
a. Sale of products (Refer Note (i) below)	11,588.00	10,294.09
b. Sale of services (Refer Note (ii) below)	65.72	45.25
c. Other operating revenues (Refer Note (iii) below)	54.72	52.66
<b>Total</b>	<b>11,708.44</b>	<b>10,392.00</b>
<b>Notes:</b>		
<b>(i) Sale of products comprises:</b>		
<b>Manufactured goods</b>		
- Storage batteries	10,159.06	9,701.63
- Others	75.41	-
<b>Sub-total - Sale of manufactured goods</b>	<b>10,234.47</b>	<b>9,701.63</b>
<b>Traded goods</b>		
- Storage batteries and components	1,192.28	453.82
- Home UPS	161.25	138.64
<b>Sub-total - Sale of traded goods</b>	<b>1,353.53</b>	<b>592.46</b>
<b>Total - Sale of products</b>	<b>11,588.00</b>	<b>10,294.09</b>
<b>(ii) Sale of services comprise:</b>		
- Installation and Commissioning	7.31	7.50
- Operational and Maintenance Services including annual maintenance	40.35	21.51
- Others (subject and other matters experts, service charges, etc.)	18.06	16.24
<b>Total - Sale of services</b>	<b>65.72</b>	<b>45.25</b>
<b>(iii) Other operating revenues comprise:</b>		
- Sale of process scrap	4.77	6.76
- Export benefits (including RoDTEP, Duty Drawback & EPCG benefits) [Refer Note (iv) below]	49.95	45.90
<b>Total - Other operating revenues</b>	<b>54.72</b>	<b>52.66</b>
<b>(iv) Includes ₹ 12.30 crores (for the year ended March 31, 2023: ₹ 15.70 crores) recognised as income in proportion to the depreciation charged to the Statement of Profit and Loss. [Refer Note 21]</b>		
<b>(v) Reconciliation of gross revenue with the revenue from contracts with customers:</b>		
Gross Revenue	12,043.84	10,739.78
Less: Incentives and Discounts	(390.12)	(400.44)
<b>Net revenue recognised from Contracts with Customers</b>	<b>11,653.72</b>	<b>10,339.34</b>
<b>(vi) Geographical information</b>		
The Group operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Group are situated within India.		
India	10,236.75	9,158.77
Outside India	1,471.69	1,233.23
<b>Total</b>	<b>11,708.44</b>	<b>10,392.00</b>

Refer to Note 41 on Financial Instruments and related disclosures for information on revenue from major customers.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 23: Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>a) Interest income</b>		
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	3.00	1.45
- Other financial assets carried at amortised cost	0.23	0.44
- Unwinding of discounts on rental deposits	0.28	0.23
	<b>3.51</b>	<b>2.12</b>
<b>b) Dividend income</b>		
(i) Dividend from equity investments designated as at FVTOCI *	0.00	0.00
*Amount below ₹ 1 Lakh	<b>0.00</b>	<b>0.00</b>
<b>c) Other non-operating income</b>		
(i) Interest income on loans and other deposits	7.34	9.05
(ii) Sale of non process scrap	8.83	9.97
(iii) Liabilities no longer required written back	14.47	0.80
(iv) Provision for doubtful trade receivables written back	1.60	2.85
(v) Others	16.14	11.71
	<b>48.38</b>	<b>34.38</b>
<b>d) Other gains and losses</b>		
(i) Gain on disposal of mutual fund units	25.14	13.60
(ii) Net foreign exchange gains	29.57	40.78
(iii) Net gain arising on Current financial assets mandatorily measured at FVTPL [Refer Note below]	3.58	1.11
(iv) Net gain arising on Non Current financial assets mandatorily measured at FVTPL [Refer Note below]	0.08	-
(v) Gain on sale of property, plant and equipment (net)	0.01	-
(vi) Gain on de-recognition of Right of Use asset	0.14	0.38
	<b>58.52</b>	<b>55.87</b>
<b>Total (a+b+c+d)</b>	<b>110.41</b>	<b>92.37</b>

### Note:

The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value. [Refer Note 5]

## Note 24: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Inventories at the beginning of the year</b>		
Finished goods - storage batteries	506.38	505.33
Work-in-progress	360.41	451.08
Stock-in-trade		
- Storage batteries	0.89	0.78
- Home UPS	139.80	102.58
	<b>1,007.48</b>	<b>1,059.77</b>
<b>Acquired through business acquisition [Refer Note 47]</b>		
Finished goods - storage batteries	1.53	-
Work-in-progress	1.20	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
	2.73	-
[A]	1,010.21	1,059.77
<b>Inventories at the end of the year</b>		
Finished goods - storage batteries	600.36	506.38
Work-in-progress	404.39	360.41
Stock-in-trade		
- Storage batteries	1.03	0.89
- Home UPS	195.99	139.80
[B]	1,201.77	1,007.48
<b>(Increase) / Decrease in finished goods, work-in-progress and stock-in-trade [A-B]</b>	<b>(191.56)</b>	<b>52.29</b>

## Note 25: Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) Salaries and wages	602.92	523.75
(b) Contribution to provident and other funds [Refer Note 33]	53.26	46.30
(c) Staff welfare expenses	78.55	81.82
<b>Total</b>	<b>734.73</b>	<b>651.87</b>

## Note 26: Finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>(a) Interest costs:</b>		
(i) Interest on term loan	6.84	7.52
(ii) Others	0.07	-
<b>(b) Other borrowing costs:</b>		
(i) Unwinding of discounts on warranty provision [Refer Note 40]	16.01	13.28
(ii) Interest on leases liabilities [Refer Note 37]	7.51	7.52
(iii) Others	3.94	1.28
<b>Total</b>	<b>34.37</b>	<b>29.60</b>

## Note 27: Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Depreciation of property, plant and equipment (including on right-of-use assets) [Refer Note 3.1 and 3.2]	461.22	429.85
Amortisation of intangible assets [Refer Note 4]	23.74	20.95
Less: Depreciation capitalised to property, plant and equipment/ capital work-in-progress	(0.63)	(0.40)
<b>Total</b>	<b>484.33</b>	<b>450.40</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 28: Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Consumption of stores and spares (including packing material)	151.34	150.83
Tools consumed	1.12	1.28
Power and fuel	282.15	341.77
Rent	4.54	3.64
Repairs and maintenance		
- Plant and machinery	17.01	18.33
- Buildings	6.31	5.62
- Others	11.80	11.22
Insurance	58.80	15.33
Rates and taxes	27.20	11.73
Communication	3.67	2.67
Travelling and conveyance	36.75	25.40
Outward freight and handling charges	306.90	288.32
Advertisement and sales promotion	72.86	39.43
Expenditure on Corporate Social Responsibility (Refer Note 45)	16.99	16.08
Legal and professional	66.68	29.42
Payment to auditors [Refer Note below]	1.78	1.51
Bad trade receivables written off	1.61	2.38
Less : Provision released	(1.21)	(1.39)
	0.40	0.99
Provision for doubtful trade receivables	3.24	1.18
Provision for doubtful advances and other receivables	0.58	3.36
Loss on sale of property, plant and equipment (net) / written off	3.99	15.39
Warranty expenses (net)	210.19	181.62
Service expenses	32.28	32.95
Printing and stationery	2.79	1.94
Miscellaneous expenses	136.22	109.95
<b>Total</b>	<b>1,455.59</b>	<b>1,309.96</b>

### Note:

Payment to auditors comprise (net of GST)

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) To statutory auditors		
- Statutory audit fee	1.33	1.09
- Limited review fee	0.20	0.20
- Tax audit fee	0.09	0.05
- Certification fee	0.05	0.08
- Reimbursement of expenses	0.06	0.04
(b) To cost auditor for cost audit	0.05	0.05
	<b>1.78</b>	<b>1.51</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 29: Income tax recognised in profit or loss

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Current Tax</b>		
In respect of the current year	327.19	262.36
In respect of the prior years	1.93	0.06
<b>Total</b>	<b>329.12</b>	<b>262.42</b>
<b>Deferred Tax</b>		
In respect of the current year	(13.28)	3.40
<b>Total</b>	<b>(13.28)</b>	<b>3.40</b>
<b>Total income tax expense recognised</b>	<b>315.84</b>	<b>265.82</b>
The income tax expense for the year can be reconciled to the accounting profit as follows:		
<b>Profit before tax</b>	1,250.22	996.65
Income tax expense calculated at 25.168% (2022-23 : 25.168%)	314.66	250.84
Effect of taxation of prior year	1.93	0.06
Tax effects of amounts which are not deductible in determining taxable profit	9.05	15.44
Impact of deferred tax in relation to taxes of earlier years	(5.49)	-
Effect of concessions and allowances	(4.31)	(0.52)
<b>Income tax expense recognised in profit or loss</b>	<b>315.84</b>	<b>265.82</b>

### Note:

The tax rate used for the year 2023-2024 and 2022-2023 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

## Note 30: Exceptional items

On January 30, 2023, a fire broke out at one of the manufacturing facilities of the Parent at Chittoor, Andhra Pradesh which caused damage to the Company's property, plant and equipment and inventories. There were no loss of lives. The Parent recognised a loss of ₹ 438.56 crores arising from such incident for the year ended March 31, 2023.

The Parent had a valid mega all risk insurance policy covering the fire accident and lodged a claim with the Insurance Company for losses suffered on account of the property, plant and equipment, inventories and loss of profits. The Insurance Company admitted the claim based on an interim survey carried out by the surveyor appointed by it and the extent of final loss admissible under the policy is being evaluated by the surveyor. The Parent estimated and recognised an insurance claim receivable in respect of the claim in accordance with its accounting policy. The aforementioned losses and the corresponding credit arising from the insurance claim receivable were presented on a net basis under Exceptional items for the year ended March 31, 2023.

During the year ended March 31, 2024, the Parent has received an adhoc payment of ₹ 224.13 crores from the Insurance Company and has realised ₹ 100.13 crores from processing and/or sale of scrap. The Parent is confident of realizing the balance amount on final determination of the loss and completion of the related activities.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 31: Contingent liabilities and commitments

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>(i) Contingent Liabilities (to the extent not provided for) :</b>		
Claims against the Company not acknowledged as debt		
<b>Matters under dispute:</b>		
- Excise duty / Service tax	86.80	63.58
- Sales tax/VAT and GST	32.43	9.70
- Income tax	28.51	23.39
- Electricity related (Refer Note below)	36.28	36.10
- Other (Building and other construction workers welfare cess, wealth tax, etc.)	9.08	9.07

It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

### Note:

Includes an amount of ₹ 10.54 crores (March 31, 2023: ₹ 10.54 crores) which has been claimed by Andhra Pradesh Gas Power Corporation Limited ('APGPCL') with respect to the power supplied by it to the Parent through Andhra Pradesh Southern Power Distribution Corporation Limited ('APSPDCL'). The Management of the Parent has contended that the said dues charged by APSPDCL as part of the regular electricity bills has been duly discharged by the Company to APSPDCL.

APGPCL has also consequently placed a lien on the investment held by the Parent in it for non-payment of dues. The Management of the Parent has initiated arbitration proceedings against the claim and the said action of APGPCL and is confident of a favourable outcome in this matter.

### (ii) Commitments:

	As at March 31, 2024	As at March 31, 2023 [Restated]
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	928.62	483.16
(b) The Group has certain outstanding export obligations/ commitments which the Management is confident of meeting within the stipulated period of time / obtaining suitable extensions, wherever required.		
(c) The Group has entered into a Memorandum of Understanding with the Government of Telangana for setting up of new energy related projects in the State of Telangana. As part of the Memorandum of Understanding, Amara Raja Advanced Cell Technologies Private Limited ('ARACT') has during the year executed an 'Agreement for sale of plot' with Telangana State Industrial Infrastructure Corporation Limited (TSIIC) for purchase of land to set up advanced chemistry cells manufacturing facility and battery pack assembly unit. Under the said agreement, ARACT has committed ₹ 1,000 crores as fixed capital investment in the project.		
(d) The Group has committed a capital investment of ₹ 1,001.44 crores to the State Industries Promotion Corporation of Tamil Nadu Limited upon entering into a lease agreement for land in Cheyyar for 99 years.		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

**Note 32:** Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

	As at March 31, 2024	As at March 31, 2023 [Restated]
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	31.96	21.43
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## Note 33: Employee benefits

The Group has adopted Indian Accounting Standard - 19 (Ind AS 19) on 'Employee Benefits'. These consolidated financial statements include the obligations as per the requirement of this standard except for the subsidiary which is incorporated outside India which has determined the valuation provision for employee benefits as per the requirements of Sharjah, U.A.E. In the opinion of the Management the impact of this deviation is not considered material.

### a. Defined contribution plans

The Group makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees and recognises such contributions in the Statement of Profit and Loss. Contributions made to the defined benefit plans were:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Provident Fund	20.87	18.74
Superannuation Fund	20.28	16.98
Employees' State Insurance Scheme	4.95	4.94

### b. Defined benefit plans

The Group provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

These plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

#### Risk Management:

**Investment risk** - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

**Interest rate risk** - The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Longevity risk** - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk** - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

## (i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2024	As at March 31, 2023 [Restated]
Present value of obligation	89.30	65.12
Fair value of plan assets	(93.67)	(68.83)
<b>Net liability/(asset) recognized in the Balance Sheet</b>	<b>(4.37)</b>	<b>(3.71)</b>

## (ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total Net
<b>As at March 31, 2022</b>	<b>58.20</b>	<b>59.07</b>	<b>0.87</b>
Additions on account of Business combination [Refer Note 46]	3.89	3.80	(0.09)
Current service cost	-	4.74	4.74
Past service cost	-	-	-
Interest cost	-	4.35	4.35
Interest income	4.32	-	(4.32)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.78)	(1.78)
Actuarial (gain)/loss arising due to experience	-	(2.14)	(2.14)
Contributions	5.11	-	(5.11)
Benefit payments	(3.53)	(3.53)	-
Return on plan assets, excluding interest income	0.23	-	(0.23)
Transfer to Group Companies	0.61	0.61	-
<b>As at March 31, 2023 [Restated]</b>	<b>68.83</b>	<b>65.12</b>	<b>(3.71)</b>
Additions on account of acquisition [Refer Note 47]	5.35	5.49	0.14
Current service cost	-	5.17	5.17
Past service cost	-	-	-
Interest cost	-	4.91	4.91
Interest income	5.22	-	(5.22)
Actuarial (gain)/loss arising from changes in financial assumptions	-	1.15	1.15
Actuarial (gain)/loss arising due to experience	-	7.23	7.23
Contributions	14.25	-	(14.25)
Benefit payments	(3.45)	(3.45)	(0.00)
Return on plan assets, excluding interest income	0.46	-	(0.46)
Transfer to Group Companies	3.01	3.68	0.67
<b>As at March 31, 2024</b>	<b>93.67</b>	<b>89.30</b>	<b>(4.37)</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## (iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Employee Benefit Expenses</b>		
Current service cost	5.17	4.74
Interest cost	4.91	4.35
Interest income	(5.22)	(4.32)
<b>Net impact on profit before tax</b>	<b>4.86</b>	<b>4.77</b>
<b>Remeasurement of the net defined benefit plan</b>		
Actuarial (gain)/loss arising from changes in financial assumptions	1.15	(1.78)
Actuarial (gain)/loss arising due to experience	7.23	(2.14)
Return on plan assets, excluding interest income	(0.46)	(0.23)
<b>Net impact on other comprehensive income before tax</b>	<b>7.92</b>	<b>(4.15)</b>

## (iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2024	As at March 31, 2023 [Restated]
Funded with Life Insurance Corporation of India	100%	100%

## (v) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2024	As at March 31, 2023 [Restated]
Discount rate	7.21%	7.26% - 7.41%
Salary escalation rate	7.00% - 10%	7.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

### Demographic assumptions

Mortality in Service: Indian Assured Lives Mortality 2012-14 (Urban)

## (vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2024		As at March 31, 2023 [Restated]	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(4.51)	5.05	(3.90)	4.44
Salary escalation rate (1% movement)	4.29	(4.03)	4.13	(3.77)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

## (vii) Maturity analysis

Maturity profile of defined benefit obligation:

	As at March 31, 2024	As at March 31, 2023 [Restated]
Within 1 year	10.80	7.46
1-2 year	9.07	7.06
2-3 year	9.65	6.41
3-4 year	9.65	6.81
4-5 year	9.75	6.46
5-10 year	38.14	28.40
> 10 Year	51.27	41.17

The Group expects to contribute ₹ 0.77 to its defined benefit plans during the next fiscal year.

## Note 34: Segment reporting

### A. Description of segments and principal activities:

Effective 1 April 2023, the Group has commenced reporting of segment information as per Ind AS 108 "Operating Segments". The identification of operating segments is based on and consistent with performance assessment and resource allocation by the Chief Operating Decision Maker (CODM). The Group's Chairman & Managing Director who has been identified as the CODM examines the Group's performance on the basis of its business units and has identified two reportable segments:

#### i) Lead acid and allied products:

The lead acid business include manufacture and sale of lead acid storage batteries for both automotive and industrial applications including manufacture and sale of its related components.

#### ii) Others:

The others segment includes primarily manufacture and sale of new energy business related products.

### Segment revenue, segment results and other information

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>A. Segment revenue (Revenue from Operations):</b>		
Lead acid batteries and allied products	11,186.17	10,142.59
Others	522.27	249.41
<b>Revenue from operations</b>	<b>11,708.44</b>	<b>10,392.00</b>
<b>B. Segment results</b>		
Lead acid batteries and allied products	1,138.66	943.21
Others	28.49	(15.40)
<b>Total Segment Results</b>	<b>1,167.15</b>	<b>927.81</b>
Add / (Less) :		
Other un-allocable income net of un-allocable expenditure	83.07	68.84
<b>Total Profit before tax</b>	<b>1,250.22</b>	<b>996.65</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

Particulars	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>C. Segment assets</b>		
Lead acid batteries and allied products	7,008.13	6,626.00
Others	636.35	231.64
<b>Total Segment Assets</b>	<b>7,644.48</b>	<b>6,857.64</b>
Un-allocated Corporate Assets	1,333.28	1,104.44
<b>Total Assets</b>	<b>8,977.76</b>	<b>7,962.08</b>
<b>D. Segment liabilities</b>		
Lead acid batteries and allied products	2,013.59	1,832.69
Others	71.92	23.59
<b>Total Segment Liabilities</b>	<b>2,085.51</b>	<b>1,856.28</b>
Un-allocated liabilities	93.52	98.76
<b>Total Liabilities</b>	<b>2,179.03</b>	<b>1,955.04</b>
<b>E. Capital Employed [C-D]</b>	<b>6,798.73</b>	<b>6,007.04</b>

Unallocable corporate income includes majorly interest income, Net foreign exchange gain, dividends and investment related gains. Unallocable expenditure includes majorly donations and corporate social responsibility expenses not allocated to segments. Unallocable corporate assets comprise majorly investments and corporate assets. Unallocable liabilities comprise majorly tax liabilities.

## Geographical information

The Group operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Group are situated within India.

## Revenue

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
India	10,236.75	9,158.77
Outside India	1,471.69	1,233.23
<b>Total</b>	<b>11,708.44</b>	<b>10,392.00</b>

Refer to Note 41 on Financial Instruments and related disclosures for information on revenue from major customers.

## Note 35: Related party transactions

### (a) Details of related parties

#### Entity exercising significant influence

RNGalla Family Private Limited

#### Key Management Personnel (KMP)

Jayadev Galla  
Harshavardhana Gourineni  
Vikramadithya Gourineni

Chairman & Managing Director  
Executive Director  
Executive Director

#### Relative of Key Management Personnel

Dr. Ramachandra N. Galla  
Dr. Ramadevi Gourineni  
G. Amara Kumari

Relative of Jayadev Galla  
Relative of Jayadev Galla  
Relative of Jayadev Galla

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

Ashok Galla  
Siddharth Galla

Relative of Jayadev Galla  
Relative of Jayadev Galla

## Entities in which KMP / Relatives of KMP exercise significant influence

Asistmi Solutions Private Limited  
Amara Raja Electronics Limited  
G2 Healthcare Private Limited  
Nine Nines Lifestyle Private Limited  
Rajanna Foundation (Formerly known as "Rajanna Trust")  
Amara Raja Education Society  
Amara Raja Blaze Technologies Private Limited  
HG Global Private Limited  
HG Chemicle Private Limited  
Tropical Island Spas and Resorts Private Limited  
Amara Raja Design Alpha Private Limited (w.e.f. July 5, 2023)

## Subsidiaries of the entity exercising significant influence

Mangal Industries Limited  
Amara Raja Infra Private Limited  
Amara Raja Power Systems Limited [until September 28, 2023]  
Amara Raja Media and Entertainment Private Limited

## (b) Transactions with the above related parties during the year were:

	For the year ended March 31, 2024 *	For the year ended March 31, 2023 * [Restated]
<b>Sale of goods (Net of sale returns)</b>		
Amara Raja Power Systems Limited	10.75 **	24.06
Amara Raja Electronics Limited	0.46	0.08
Mangal Industries Limited	0.06	0.03
Amara Raja Infra Private Limited	0.83	0.32
<b>Rental Income</b>		
Mangal Industries Limited	0.40	0.38
<b>Sale of capital goods</b>		
RNGalla Family Private Limited	0.10	-
<b>Purchase of goods</b>		
Amara Raja Power Systems Limited	37.46**	72.35
Amara Raja Electronics Limited	190.68	143.47
Mangal Industries Limited	371.23	330.15
RNGalla Family Private Limited	0.50	0.08
<b>Availing of services</b>		
Amara Raja Infra Private Limited	113.72	104.55
Rajanna Foundation	0.23	-
Amara Raja Design Alpha Private Limited	0.26	-
<b>Purchase of Fixed Assets</b>		
Amara Raja Power Systems Limited	0.26**	17.96
Amara Raja Electronics Limited	-	0.05
Mangal Industries Limited	60.34	45.23



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for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024 *	For the year ended March 31, 2023 * [Restated]
Amara Raja Infra Private Limited	251.35	66.05
RNGalla Family Private Limited	0.36	-
<b>Rent Expense</b>		
Jayadev Galla	4.43	3.87
Dr. Ramachandra N. Galla	0.63	0.60
Dr. Ramadevi Gourineni	4.07	3.53
Harshavardhana Gourineni	0.04	0.03
Vikramadithya Gourineni	0.03	0.03
G. Amara Kumari	0.05	0.05
Ashok Galla	0.03	0.03
Siddharth Galla	0.03	0.03
Amara Raja Infra Private Limited	2.43	2.43
Mangal Industries Limited	0.14	-
<b>Donation Expense (including CSR Expense)</b>		
Rajanna Foundation (Formerly known as Rajanna Trust)	18.32	24.56
Amara Raja Education Society	6.18	-
<b>Expenses reimbursed to</b>		
Amara Raja Power Systems Limited	- **	0.00 <sup>#</sup>
Amara Raja Electronics Limited	0.01 <sup>#</sup>	0.00 <sup>#</sup>
Mangal Industries Limited	5.20	3.46
Amara Raja Infra Private Limited	-	0.02
RNGalla Family Private Limited	0.03	0.01
<b>Dividends Paid (including interim dividend)</b>		
RNGalla Family Private Limited	38.35	16.30
<b>Expenses recovered from</b>		
Amara Raja Power Systems Limited	2.42 **	7.87
Amara Raja Electronics Limited	0.82	1.12
Mangal Industries Limited	9.13	5.24
Amara Raja Infra Private Limited	9.79	6.39
RNGalla Family Private Limited	1.78	0.78
<b>Interest Income</b>		
Amara Raja Power Systems Limited	0.01 <sup>#**</sup>	-
Amara Raja Electronics Limited	0.00 <sup>#</sup>	0.00 <sup>#</sup>
Mangal Industries Limited	0.01	0.35
Amara Raja Infra Private Limited	0.20	0.07
RNGalla Family Private Limited	0.01	0.01
<b>Interest Expense</b>		
Amara Raja Power Systems Limited	0.01 **	-
<b>Purchase of investment in Amara Raja Power Systems Private Limited</b>		
RNGalla Family Private Limited [Refer Note 47]	133.00	-
<b>Purchase of plastic component business of Mangal Industries Limited</b>		
RNGalla Family Private Limited [Refer Note 46]	672.56	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2024 *	For the year ended March 31, 2023 * [Restated]
<b>Remuneration</b>		
Jayadev Galla	63.31	53.23
Harshavardhana Gourineni	31.65	26.62
Vikramadithya Gourineni	31.65	26.62

\* Transactions have been disclosed net of applicable taxes.

\*\* The numbers are for the period 1st Apr'23 to 28th Sept'23. ARE&M has acquired 100% stake in ARPSL due to which ARPSL is WOS of ARE&M w.e.f 29th Sept'23.

# Amount below ₹ 1 lakh

## (c) Balances receivable from / payable to related parties are as follows:

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Trade Receivables</b>		
Amara Raja Power Systems Limited	-	12.28
Mangal Industries Limited	0.00 #	0.01
Amara Raja Infra Private Limited	0.88	2.51
Amara Raja Electronics Limited	0.01	-
<b>Security Deposits</b>		
Jayadev Galla	2.30	2.12
Dr. Ramachandra N. Galla	0.32	0.32
Dr. Ramadevi Gourineni	2.22	2.04
<b>Interest Receivable</b>		
Amara Raja Electronics Limited	0.00 #	-
Mangal Industries Limited	0.00 #	0.00 #
Amara Raja Infra Private Limited	0.02	0.02
RNGalla Family Private Limited	0.00#	0.00#
<b>Rent Receivable</b>		
Mangal Industries Limited	0.05	-
<b>Advances (including contractually reimbursable expenses)</b>		
Amara Raja Power Systems Limited	-	0.53
Amara Raja Electronics Limited	12.40	8.24
Mangal Industries Limited	4.88	2.77
Amara Raja Infra Private Limited	51.68	16.30
RNGalla Family Private Limited	0.39	0.06
<b>Trade payables</b>		
Amara Raja Power Systems Limited	-	0.11
Amara Raja Electronics Limited	12.48	5.57
Mangal Industries Limited	7.65	6.77
Amara Raja Infra Private Limited	11.98	16.71
RNGalla Family Private Limited	0.06	-
<b>Payables on purchase of fixed assets</b>		
Amara Raja Power Systems Limited	-	0.02
Mangal Industries Limited	13.14	9.59
Amara Raja Infra Private Limited	35.93	20.74
RNGalla Family Private Limited	0.15	-
<b>Other Payables</b>		
Rajanna Foundation (Formerly known as Rajanna Trust)	6.50	4.79

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Other Payables (Employee Related)</b>		
Jayadev Galla	60.90	50.83
Harshavardhana Gourineni	30.23	25.22
Vikramadithya Gourineni	30.23	25.22
<b>Rent Payable</b>		
Jayadev Galla	0.47	0.35
Dr. Ramachandra N. Galla	0.06	0.03
Dr. Ramadevi Gourineni	0.44	0.29
Harshavardhana Gourineni	-	0.02
Vikramadithya Gourineni	-	0.02
G. Amara Kumari	-	0.04
Ashok Galla	-	0.02
Siddharth Galla	-	0.02
Amara Raja Infra Private Limited	0.20	0.21
Mangal Industries Limited	0.15	-
<b>Contractually reimbursable amount as per Scheme of Arrangement</b>		
Mangal Industries Limited	-	22.70
<b>Capital commitments (refer note 31)</b>		
Amara Raja Power Systems Limited	-	2.64
Mangal Industries Limited	51.45	25.51
Amara Raja Infra Private Limited	278.24	96.72

# Amount below ₹ 1 lakh

Note: Also refer Note 31 and 46.

## Note 36: Earnings per share (EPS)

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Profit for the year (in ₹ crores) [A]	934.38	730.83
Weighted average number of equity shares outstanding during the year (No's) [B]*	18,30,25,364	18,30,25,364
<b>Earnings per share (Face Value of ₹ 1 per share)</b>		
- Basic and diluted (in ₹) [A/B]	<b>51.05</b>	<b>39.93</b>
<b>Equity shares reconciliation for EPS*</b>		
Number of equity shares outstanding	18,30,25,364	17,08,12,500
Add: Shares issued for acquisition pending allotment [Refer Note 46]	-	1,22,12,864
Weighted average numbers of equity shares considered for basic and diluted EPS	18,30,25,364	18,30,25,364

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 37: Leases

	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>(i) The following is the breakup of current and non-current lease liabilities</b>		
Current liabilities	28.29	26.79
Non-current liabilities	75.07	63.50
	<b>103.36</b>	<b>90.29</b>
<b>(ii) The following is the movement of lease liabilities during the year ended March 31:</b>		
Balance at the beginning	90.29	102.50
Additions during the year	45.03	16.89
Deletions during the year	(2.02)	(2.45)
Finance cost accrued during the year	7.51	7.52
Payment of lease liabilities	(37.45)	(34.17)
<b>Balance at the end</b>	<b>103.36</b>	<b>90.29</b>
<b>(iii) Contractual maturities of lease liabilities</b>		
Less than one year	26.28	26.79
One to five years	73.17	57.39
More than five years	3.91	6.11
	<b>103.36</b>	<b>90.29</b>

## Note 38: Revenue expenditure capitalized to fixed assets/ capital work-in-progress

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
(a) Cost of material consumed (net) [Refer Note below]	4.06	14.63
(b) Power and Fuel	0.34	0.02
(c) Depreciation and amortization expense [net of deferred revenue arising from government grant of ₹ 0.31 crores (Year ended March 31, 2023: ₹ 0.07)]	0.70	0.33
(d) Others	2.77	0.75
<b>Total</b>	<b>7.87</b>	<b>15.73</b>

**Note:** Net of income from sale of batteries, scrap, etc., ₹ 1.55 crores (Year ended March 31, 2023: ₹ 14.16 crores)

## Note 39: Details of expenditure incurred on research and development

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Revenue expenditure:</b>		
(a) Cost of materials consumed	0.31	0.79
(b) Consumption of stores and spares (including secondary packing material)	0.48	0.47
(c) Employee benefits expense	6.66	8.96
(d) Power and fuel	1.07	0.96
(e) Others	1.05	0.94
<b>Total Revenue expenditure [A]</b>	<b>9.57</b>	<b>12.12</b>
<b>Capital expenditure [B]</b>	<b>7.17</b>	<b>5.05</b>
<b>Total [A+B]</b>	<b>16.74</b>	<b>17.17</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 40: Details of Provisions

- (a) Provision for warranty is made for estimated warranty claims in respect of sale of certain storage batteries which are still under warranty at the end of the reporting period, the estimated cost of which is accrued at the time of sale. These claims are expected to be settled as and when warranty claims arise. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Group obligation for warranties. Management estimates the provision based on historical warranty claim information and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The products are generally covered under a free warranty period ranging from 6 months to 42 months.
- (b) The disclosure of provisions movement as required under the provisions of Ind AS 37 is as follows:-

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
<b>Balance as at April 1</b>	<b>257.29</b>	<b>219.87</b>
Additional provisions recognised	157.46	192.04
Amount utilised / reversed during the year	(150.98)	(167.90)
Unwinding of discount and effect of changes in the discount rate	16.01	13.28
<b>Balance as at March 31</b>	<b>279.78</b>	<b>257.29</b>
Out of the above,		
Classified under Non-current provisions (Refer Note 16)	154.52	121.36
Classified under Current provisions (Refer Note 16)	125.26	135.93

## Note 41: Financial instruments and related disclosures

### A. Capital Management

The Group financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Group funds its operations through internal accruals. The Group aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern. The capital structure of the Parent is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Group may take appropriate steps in order to maintain, or if necessary, adjust its capital structure.

Equity share capital and other equity are considered for the purpose of Group Capital Management.

### B. Categories of Financial Instruments

Particulars	Carrying value		Fair value	
	As at March 31, 2024	As at March 31, 2023 [Restated]	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
(i) Cash and cash equivalents	98.34	94.87	98.34	94.87
(ii) Other bank balances	19.46	10.39	19.46	10.39
(iii) Trade receivables	1,135.84	886.56	1,135.84	886.56
(iv) Other financial assets	105.09	447.37	105.09	447.37
(v) Investments	0.01	0.01	0.01	0.01
(vi) Loans	-	88.71	-	88.71

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

Particulars	Carrying value		Fair value	
	As at March 31, 2024	As at March 31, 2023 [Restated]	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Measured at FVTOCI</b>				
(i) Investments in equity instruments	151.11	52.20	151.11	52.20
(ii) Investments in preference shares	209.46	209.46	209.46	209.46
<b>Measured at FVTPL</b>				
Mandatorily measured:				
(i) Investment in equity instruments	0.23	-	0.23	-
(ii) Current investment- Mutual funds	353.09	165.30	353.09	165.30
<b>Total Financial assets</b>	<b>2,072.63</b>	<b>1,954.87</b>	<b>2,072.63</b>	<b>1,954.87</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
(i) Borrowings	53.33	111.06	53.33	111.06
(ii) Trade payables	856.45	757.67	856.45	757.67
(iii) Other financial liabilities	361.40	253.72	361.40	253.72
(iv) Lease Liabilities	103.36	90.29	103.36	90.29
<b>Total Financial liabilities</b>	<b>1,374.54</b>	<b>1,212.74</b>	<b>1,374.54</b>	<b>1,212.74</b>

## C. Financial risk management objectives

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard. The key risks and mitigating actions are overseen by the Board of Directors of the Group.

### Liquidity Risk

The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Group regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Group current assets aggregate ₹ 3,869.42 crores (March 31, 2023 ₹ 3,451.34 crores) including Current investments, Cash and cash equivalents and Other bank balances of ₹ 470.89 crores (March 31, 2023 ₹ 270.56 crores) against an aggregate current liability of ₹ 1,725.06 crores (March 31, 2023 ₹ 1,478.24 crores). The table below provides details regarding the contractual maturities of significant non-current financial liabilities as of March 31, 2024 and March 31, 2023. Contractual maturities in respect of lease liabilities has been disclosed in Note 37.

	As at March 31, 2024			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings (Non-current)	24.41	1.58	-	25.99

	As at March 31, 2023 [Restated]			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings (Non-current)	65.64	14.37	-	80.01

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

Further, while the Group's borrowings stands at ₹ 53.33 crores (March 31, 2023: ₹ 111.06 crores), it has total equity of ₹ 6,798.73 crores (March 31, 2023: ₹ 6,007.04 crores). In such circumstances, liquidity risk or the risk that the Group may not be able to settle or meet its obligations as they become due does not exist.

## Market Risk

The Group continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity and preference share instruments as at March 31, 2024 is ₹ 360.57 crores (March 31, 2023 ₹ 261.66 crores). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is primarily not exposed to interest rate risk considering the amount of borrowings availed from banks and which were transferred under the Scheme of Arrangement. Further, treasury activities, focused on managing current investments are administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation. The Group invests in Mutual Fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the Mutual Fund schemes in which the Group has invested, such price risk is not significant. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

## Commodity Price Risk

Material cost is the largest cost component for the Parent, thus exposing it to the risk of price fluctuations based on the supply and demand conditions of those materials. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Parent has put in place a mix of long-term and short-term mitigation plans. The long-term price view consisted of identifying single vendor dependency and finding alternate vendors and sources for the same. The Parent also has a robust process of estimating the prices periodically, analyzing deviations, if any, and taking short-term corrective measures in addition to altering the outlook for the long-term, if required. The Parent also leverages its financial resources to modify the inventory levels as required keeping in mind the price outlook in the near term. Similarly, the Parent modifies the contract period in negotiations with the vendors to either lock in prices or link them to expected market prices. During the year ended March 31, 2024 and March 31, 2023, the Parent had not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

## Foreign Currency Risk

The Group is subject to the risk that changes in foreign currency values impact the Group export revenues and import of raw materials and property, plant and equipment. The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars, EURO and GBP. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risk.

The Group manages currency exposures within prescribed limits. The aim of the Group approach to management of currency risk is to leave the Group with no material residual risk.

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

### As at March 31, 2024

	USD	EURO	GBP	Other currencies*	Total
<b>Financial Assets</b>					
- Trade receivables	183.91	0.53	-	-	184.44
- Cash and cash equivalents	67.49	-	-	-	67.49
<b>Financial Liabilities</b>					
- Trade Payables	(107.87)	(6.93)	(1.32)	(0.63)	(116.75)
- Other financial liabilities	(22.82)	(26.91)	(0.70)	-	(50.43)
<b>Net financial asset / (liability)</b>	<b>120.71</b>	<b>(33.31)</b>	<b>(2.02)</b>	<b>(0.63)</b>	<b>84.75</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## As at March 31, 2023 [Restated]

	USD	EURO	GBP	Other currencies*	Total
<b>Financial Assets</b>					
- Loan	-	88.71	-	-	88.71
- Trade receivables	59.06	-	-	-	59.06
- Cash and cash equivalents	44.11	-	-	-	44.11
- Other financial asset	-	6.54	-	-	6.54
<b>Financial Liabilities</b>					
- Trade Payables	(84.59)	(2.59)	(1.56)	(0.09)	(88.83)
- Other financial liabilities	(17.13)	(10.24)	(1.20)	-	(28.57)
<b>Net financial asset / (liability)</b>	<b>1.45</b>	<b>82.42</b>	<b>(2.76)</b>	<b>(0.09)</b>	<b>81.02</b>

\* Other includes currencies such as Japanese Yen

## Foreign currency sensitivity analysis

For every percentage point increase in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax for the year ended March 31, 2024 would change by ₹ 2.15 crores [March 31, 2023: ₹ 1.80 crores]. For every percentage point decrease in the underlying exchange rate would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates.

## Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligation.

Concentration of credit risk with respect to trade receivables are limited, due to Group customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Group historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. loss allowances and impairment is recognised, where considered appropriate by responsible management.

The credit risk on cash and bank balances and fixed deposits is limited because the counterparties are banks with high credit ratings.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	For the year ended March 31, 2024	For the year ended March 31, 2023 [Restated]
Revenue from top customer from whom the Group receives 10% or more of its revenues	-	-
Revenue from top 5 customers	1,748.86	1,354.35



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## D. Fair value measurement

### Fair value hierarchy

The fair value of financial instruments as referred to in Note 41.B above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The following levels have been used for classification:

- Level 1: Quoted prices (unadjusted) for identical instruments in active market.
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly for certain unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Parent does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Parent has classified certain unquoted equity instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

### Notes:

- During the previous year ended March 31, 2023, the performance of investments in unquoted shares of Andhra Pradesh Gas Power Corporation Limited along with the relevant economic and market indicators, supply chain challenges and closure of power plants resulted in indicators of impairment. Accordingly, the Parent determined the fair value of the Investment as ₹ Nil and recorded the impairment loss in other comprehensive income. There has been no change in these factors during the current year.
- The fair value of equity and preference shares carried at fair value through other comprehensive income were determined using indirect market observable inputs and recent transactions for same / similar securities.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

	Fair value hierarchy (Level)	As at March 31, 2024	As at March 31, 2023 [Restated]
<b>Financial assets</b>			
<b>a) Measured at fair value through OCI</b>			
i) Equity Shares - Quoted	1	0.55	0.23
ii) Equity and Preference Shares - Unquoted	2	360.02	261.43
<b>Sub-total</b>		<b>360.57</b>	<b>261.66</b>
<b>b) Measured at fair value through profit or loss</b>			
i) Equity Shares - Quoted	1	0.23	-
ii) Investment in Mutual Funds	1	353.09	165.30
<b>Sub-total</b>		<b>353.32</b>	<b>165.30</b>
<b>Total</b>		<b>713.89</b>	<b>426.96</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 42: Dividend

Dividend on equity shares paid during the year	FY 2023-24	FY 2022-23
Final dividend for FY 2022-23 (₹ 3.20 per equity share of ₹ 1 each) [for FY 2021-22 ₹ 0.50 per equity share of ₹ 1 each]	54.66	8.54
Interim dividend for the FY 2023-24 (₹ 4.80 per equity share of ₹ 1 each) [for FY 2022-23 ₹ 2.90 per equity share of ₹ 1 each]	81.99	49.54
	<b>136.65</b>	<b>58.08</b>

Interim dividend of ₹ 4.80 per equity share of face value of ₹ 1 each approved by the Board of Directors of the Parent at its meeting held on October 31, 2023 was paid during the current year. The Board of Directors at its meeting held on May 28, 2024 has recommended a dividend of ₹ 5.10 per equity share of face value of ₹ 1 each which is subject to approval of the shareholders at the ensuing Annual General Meeting of the Parent and hence is not recognized as a liability. The total dividend (including interim dividend) for FY 2023-24 amounts to ₹ 9.90 per equity share (Previous year ₹ 6.10 per equity share).

**Note 43: The wholly-owned subsidiaries (which along with Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited), the Parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements is :**

Name	Country of Incorporation	Percentage of ownership as at March 31, 2024
Amara Raja Batteries Middle East (FZE)	Sharjah, UAE	100%
Amara Raja Circular Solutions Private Limited (Incorporated on June 2, 2022)	India	100%
Amara Raja Advanced Cell Technologies Private Limited (Incorporated on November 29, 2022)	India	100%
Amara Raja Power Systems Limited (Incorporated on December 6, 1984)	India	100%

These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of the wholly-owned subsidiaries on the audited financial statements prepared for consolidation in accordance with the requirements of Indian Accounting Standard - 110 (Ind AS 110) on "Consolidated Financial Statements".



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

**Note 44: Additional information as required by Paragraph 2 of the General Instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:**

Name of the entity	For the year ended March 31, 2024		For the year ended March 31, 2024		For the year ended March 31, 2024		For the year ended March 31, 2024	
	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Other Comprehensive Income/(Loss)	Amount	As % of consolidated Total Comprehensive Income	Amount
<b>Parent:</b>								
Amara Raja Energy & Mobility Limited	99.56%	6,768.65	96.95%	905.86	102.61%	(6.20)	96.91%	899.66
<b>Subsidiaries:</b>								
Amara Raja Batteries Middle East (FZE)	0.07%	4.74	0.12%	1.14	0.00%	-	0.13%	1.19
Amara Raja Circular Solutions Private Limited	4.71%	319.94	0.08%	0.72	0.00%	-	0.08%	0.72
Amara Raja Advanced Cell Technologies Private Limited	6.13%	416.48	1.83%	17.10	-2.15%	0.13	1.85%	17.23
Amara Raja Power Systems Limited	1.33%	90.16	0.97%	9.10	0.49%	(0.03)	0.98%	9.08
Consolidation adjustment / elimination	-11.80%	(801.24)	0.05%	0.46	-0.95%	0.06	0.05%	0.46
<b>Total</b>	<b>100.00%</b>	<b>6,798.73</b>	<b>100.00%</b>	<b>934.38</b>	<b>100.00%</b>	<b>(6.04)</b>	<b>100.00%</b>	<b>928.34</b>

Name of the entity	For the year ended March 31, 2023 [Restated]		For the year ended March 31, 2023 [Restated]		For the year ended March 31, 2023 [Restated]		For the year ended March 31, 2023 [Restated]	
	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income/(Loss)	Amount	As % of consolidated Total Comprehensive Income	Amount
<b>Parent:</b>								
Amara Raja Energy & Mobility Limited	99.98%	6,005.64	99.98%	730.71	99.83%	109.06	99.96%	839.77
<b>Subsidiaries:</b>								
Amara Raja Batteries Middle East (FZE)	0.06%	3.55	0.23%	1.66	0.00%	-	0.22%	1.85
Amara Raja Circular Solutions Private Limited	1.65%	99.21	-0.11%	(0.79)	0.00%	-	-0.09%	(0.79)
Amara Raja Advanced Cell Technologies Private Limited	1.65%	99.25	-0.10%	(0.75)	0.00%	-	-0.09%	(0.75)
Consolidation adjustment / elimination	-3.34%	(200.61)	0.00%	(0.00)	0.17%	0.19	0.00%	(0.00)
<b>Total</b>	<b>100.00%</b>	<b>6,007.04</b>	<b>100.00%</b>	<b>730.83</b>	<b>100.00%</b>	<b>109.25</b>	<b>100.00%</b>	<b>840.08</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 45: Corporate Social Responsibility

Particulars	FY 2023-24	FY 2022-23
(i) Gross amount required to be spent by the Group during the year	16.99	15.99
(ii) Amount spent during the year on :		
(a) Construction/acquisition of any assets	8.67	7.26
(b) On purposes other than (i) above	8.32	8.82
<b>Total spent</b>	<b>16.99</b>	<b>16.08</b>
(iii) Related party transactions in relation to Corporate Social Responsibility	16.99	15.98
(iv) Details of excess amount spent		

	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Others	Closing Balance
Details of excess amount spent	0.27	16.99	16.99	0.27	-

(v) Nature of CSR activities undertaken by the Group :

- Affordable quality education in rural areas
- Provide healthcare to rural india
- Soil conservation and vegetative regeneration
- Development of surrounding villages that include construction of roads, rain water storage tanks and supply channel amongst others.

## Note 46: Business Combination

The Board of Directors of the Parent at its meeting held on September 26, 2022 approved a Scheme of Arrangement amongst Mangal Industries Limited ('Demerged Company') and Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) ['the Parent'] and their respective shareholders and creditors, under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme"). The Scheme, inter-alia, provides for demerger of the plastic component for battery business ('Demerged Undertaking') from the demerged company to the Parent. The Scheme has been approved by the Hon'ble jurisdictional National Company Law Tribunal ('NCLT') vide its order dated January 10, 2024, and the same has become effective from February 1, 2024.

The Demerged Company is engaged in various businesses such as Plastic Component for Battery Business, manufacturing of auto components (including fasteners, plastics, copper inserts /connectors and others), metal fabrication, storage solution, lead bushes and trading of various products, etc. The entire output generated from the Plastic Component for Battery Business is currently sold to the Parent. This backward integration is expected to enhance the Parent's control over the supply and inventory management of its raw materials. This would help with a unified approach on supply chain management and consequent synergies leading to optimization of resource utilisation, reduced operational, logistics, supervisory and overhead / utilities costs, reduce duplication of administrative efforts and better procurement policies and prices, for the Resulting Company.

The Parent has given effect to the Scheme in accordance with the MCA's Generat Circular 9/2019 dated August 21, 2019 from April 1, 2022 being the appointed date as per the Scheme and the previously issued consolidated financial statements for the year ended March 31, 2023 have been restated, as below.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## I Reconciliation of Balance sheet as on March 31, 2023:

	As at March 31, 2023 (Reported)	Scheme impact	As at March 31, 2023 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2,518.68	336.77	2,855.45
(b) Right-of-use assets	371.02	25.57	396.59
(c) Capital work-in-progress	248.10	0.59	248.69
(d) Goodwill	-	427.99	427.99
(e) Other intangible assets	65.91	1.00	66.91
(f) Intangible assets under development	0.76	-	0.76
(g) Financial assets	-	-	-
(i) Investments	261.67	-	261.67
(ii) Other financial assets	125.19	-	125.19
(h) Deferred tax assets (net)	0.89	-	0.89
(i) Income-tax assets (net)	-	1.50	1.50
(j) Other non-current assets	123.57	1.53	125.10
<b>Total non - current assets</b>	<b>3,715.79</b>	<b>794.95</b>	<b>4,510.74</b>
<b>Current assets</b>			
(a) Inventories	1,702.19	31.77	1,733.96
(b) Financial assets			
(i) Investments	165.30	-	165.30
(ii) Loans	88.71	-	88.71
(iii) Trade receivables	886.56	-	886.56
(iv) Cash and cash equivalents	94.87	-	94.87
(v) Bank balances other than (iv) above	10.39	-	10.39
(vi) Other financial assets	313.75	8.43	322.18
(c) Other current assets	146.29	3.08	149.37
<b>Total current assets</b>	<b>3,408.06</b>	<b>43.28</b>	<b>3,451.34</b>
<b>Total assets</b>	<b>7,123.85</b>	<b>838.23</b>	<b>7,962.08</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17.08	-	17.08
(b) Other equity	5,282.16	707.80	5,989.96
<b>Total equity</b>	<b>5,299.24</b>	<b>707.80</b>	<b>6,007.04</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	9.64	70.37	80.01
(ii) Lease liabilities	63.50	-	63.50
(b) Provisions	143.44	2.86	146.30
(c) Deferred tax liabilities (net)	73.15	30.83	103.98
(d) Other non-current liabilities	83.01	-	83.01
<b>Total non - current liabilities</b>	<b>372.74</b>	<b>104.06</b>	<b>476.80</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	6.88	24.17	31.05
(ii) Lease liabilities	26.79	-	26.79
(iii) Trade payables			
- Total outstanding dues of Micro enterprises and small enterprises	19.04	2.39	21.43

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2023 (Reported)	Scheme impact	As at March 31, 2023 (Restated)
- Total outstanding dues of creditors other than Micro enterprises and small enterprises	738.03	(1.79)	736.24
(iv) Other financial liabilities	251.62	2.10	253.72
(b) Provisions	141.62	0.04	141.66
(c) Current tax liabilities (net)	0.86	(0.54)	0.32
(d) Other current liabilities	267.03	-	267.03
<b>Total current liabilities</b>	<b>1,451.87</b>	<b>26.37</b>	<b>1,478.24</b>
<b>Total equity and liabilities</b>	<b>7,123.85</b>	<b>838.23</b>	<b>7,962.08</b>

## II Reconciliation of Profit and Loss account for the year ended March 31, 2023:

Particulars	For the year ended March 31, 2023 (Reported)	Scheme impact	For the year ended March 31, 2023 (Restated)
<b>Income</b>			
(I) Revenue from operations	10,388.20	3.80	10,392.00
(II) Other income	92.04	0.33	92.37
<b>(III) Total Income (I+II)</b>	<b>10,480.24</b>	<b>4.13</b>	<b>10,484.37</b>
<b>(IV) Expenses</b>			
Cost of materials consumed	6,638.72	(180.18)	6,458.54
Purchases of stock-in-trade	487.41	-	487.41
Changes in inventories of finished goods, work-in-progress and stock-in-trade	60.74	(8.45)	52.29
Employee benefits expense	591.80	60.07	651.87
Finance costs	22.08	7.52	29.60
Depreciation and amortization expense	427.23	23.17	450.40
Other expenses	1,257.43	52.53	1,309.96
<b>Total Expenses</b>	<b>9,485.41</b>	<b>(45.34)</b>	<b>9,440.07</b>
<b>(V) Profit before exceptional items and tax (III-IV)</b>	<b>994.83</b>	<b>49.47</b>	<b>1,044.30</b>
<b>(VI) Exceptional items (net)</b>	<b>47.65</b>	<b>-</b>	<b>47.65</b>
<b>Profit before tax (V - VI)</b>	<b>947.18</b>	<b>49.47</b>	<b>996.65</b>
<b>(VIII) Tax expense</b>			
(i) Current tax	248.25	14.17	262.42
(ii) Deferred tax (net)	4.40	(1.00)	3.40
<b>Tax expense</b>	<b>252.65</b>	<b>13.17</b>	<b>265.82</b>
<b>(IX) Profit for the year (VII - VIII)</b>	<b>694.53</b>	<b>36.30</b>	<b>730.83</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss:			
(a) Remeasurements of the defined benefit plans	5.21	(1.06)	4.15
b) Net fair value gain / (loss) on investments in financial instruments through Other Comprehensive Income (net of tax)	104.91	-	104.91
(ii) Items that will be reclassified to profit or loss:			
(a) Exchange difference arising on translation of foreign operation	0.19	-	0.19
<b>(X) Total Other Comprehensive Income</b>	<b>110.31</b>	<b>(1.06)</b>	<b>109.25</b>
<b>(XI) Total comprehensive income for the year (IX + X)</b>	<b>804.84</b>	<b>35.24</b>	<b>840.08</b>

The working capital changes from April 1, 2022 to January 31, 2024 has been considered as other current financial asset and has been recovered from Mangal Industries Limited subsequent to the Balance Sheet date.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Fair Value of the Consideration transferred:

The fair value of purchase consideration was determined as ₹ 672.56 crores which has been discharged through issue of 1,22,12,864 fully paid-up equity shares of face value of ₹ 1/- each to the equity shareholders of the Demerged Company, in accordance with the share entitlement ratio (65 equity shares of the Company for every 74 equity shares held) approved in the Scheme. Consequent to the approval of the scheme, these shares were allotted to RN Galla Family Private Limited (shareholders of demerged Company). The fair value of the shares issued has been determined based on the Volume-weighted average market price as on the Appointed Date. The transaction was accounted in accordance with the acquisition method as per Ind AS 103 — Business Combination. As per Ind AS 103, purchase consideration has been allocated on the basis of fair valuation determined by an independent valuer.

## The Fair Value of identifiable assets acquired, and liabilities assumed as on the acquisition date (April 1, 2022):

Particulars	Fair Value
<b>I. ASSETS</b>	
<b>(1) Non-current assets</b>	
Property, Plant and Equipment	316.66
Right-of-use asset	25.84
Capital work-in-progress	26.80
Other intangible assets	1.42
Other non-current assets	1.82
<b>(2) Current assets</b>	
Inventories	37.00
Trade receivables	3.12
Other financial assets	0.05
Other current assets	3.98
<b>Total assets (A)</b>	<b>416.69</b>
<b>II. Liabilities</b>	
<b>(1) Non-current liabilities</b>	
Long term borrowings	87.08
Deferred tax liabilities (net)	31.83
Long term provision	1.90
<b>(2) Current liabilities</b>	
Short term borrowings	11.65
Trade payables	30.51
Other financial liabilities	4.84
Other current liabilities	4.23
Short term provision	0.08
<b>Total liabilities (B)</b>	<b>172.12</b>
<b>III. Value of Identified Net Assets at fair value (C) = (A)-(B)</b>	<b>244.57</b>

## Amount recognised as Goodwill:

Particulars	Amount
Fair value of consideration transferred	672.56
Less: Fair value of the net assets acquired	244.57
Goodwill	<b>427.99</b>

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset. And acquisition results in enhanced control over the supply and inventory management of its raw materials. This would help with a unified approach on supply chain management and consequent synergies leading to optimization of resource utilisation, reduced operational, logistics, supervisory and overhead / utilities costs, reduce duplication of administrative efforts and better procurement policies and prices. Goodwill is not tax-deductible.

## Acquisition related costs:

During the year ended March 31, 2024 acquisition related costs of ₹ 17.13 Crores had been recognised under Rates and Taxes, Legal and Professional Expenses and Miscellaneous Expenses in the Statement of Profit and Loss.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 47: Acquisition of Amara Raja Power Systems Limited

Consequent to the Share Purchase Agreement dated July 1, 2023, entered into between the Parent and RNgalla Family Private Limited (Promoter of the Company), the Parent has acquired 100% stake in Amara Raja Power Systems Limited ("ARPSL") for a cash consideration of ₹ 133 crores.

Accordingly, ARPSL became a wholly-owned subsidiary of the Parent with effect from September 29, 2023 (Closing date), upon satisfaction of closing conditions and has been consolidated with effect from that date. The transaction is accounted as per acquisition method of accounting in accordance with Ind AS 103 – "Business Combinations". ARPSL is primarily engaged in the manufacture of industrial chargers, integrated power systems, EV chargers for 2W and 3W applications and other energy management devices. Pursuant to the Parent's Energy and Mobility Strategy and to further strengthen its product portfolio of chargers and power/Energy Management devices, the Parent's management has taken a strategic decision to acquire a 100% stake in ARPSL. This integration move is expected to strengthen the product offering to the evolving Electric mobility ecosystem. This acquisition also helps in strengthening the solution offering to the energy storage applications. The fair value of net assets acquired on the acquisition date amounted to ₹ 125.19. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Goodwill is not tax deductible.

### A The Fair Value of identifiable assets acquired, and liabilities assumed as on the acquisition date:

Particulars	Amount
<b>I. ASSETS</b>	
<b>(1) Non-current assets</b>	
Property, Plant and Equipment	63.20
Capital work-in-progress	0.64
Other intangible assets	4.56
Other non-current assets	4.55
<b>(2) Current assets</b>	
Inventories	13.25
Trade receivables	31.88
Other financial assets	44.80
Other current assets	10.88
<b>Total assets (A)</b>	<b>173.76</b>
<b>II. Liabilities</b>	
<b>(1) Non-current liabilities</b>	
Deferred tax liabilities (net)	0.61
Long term provision	1.97
<b>(2) Current liabilities</b>	
Trade payables	22.31
Other financial liabilities	3.13
Other current liabilities	19.45
Short term provision	1.10
<b>Total liabilities (B)</b>	<b>48.57</b>
<b>III. Value of Identified Net Assets at fair value (C) = (A)-(B)</b>	<b>125.19</b>

### B Amount recognised as Goodwill:

Particulars	Amount
Fair value of consideration transferred	133.00
Less: Fair value of the net assets acquired	125.19
Goodwill	7.81

ARPSL contributed ₹ 105.38 cr revenue and ₹ 9.10 cr to the Group's profit for the period between the date of acquisition and the reporting date.

#### Goodwill inter alia encompasses the following factors:

- Value attributable to future growth from new customers and ability to expand product portfolio
- Goodwill arising from acquiring the target as a "going concern"
- Value attributable to acquiring assembled workforce along with the business.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All amounts are in ₹ crores, except share data and where otherwise stated

## Note 48:

The Parent on April 30, 2021 received closure orders from the Andhra Pradesh Pollution Control Board ('APPCB') for the Parent's plants situated at Karakambadi, Tirupati and Nunegundlapalli Village, Chittoor District. Consequently, the Parent went in appeal against the said orders to the Hon'ble High Court of Andhra Pradesh at Amravati, which granted interim suspension of the closure orders. The plants of the Parent were closed for a period of 5 days during the quarter ended June 30, 2021, from the date of closure orders till the date of the said interim suspension. The Parent did not incur any material loss during the period of closure.

APPCB also issued two show cause notices in February, 2022 against which the Parent filed a special leave petition with the Hon'ble Supreme Court which vide its order dated February 20, 2023 disposed off the matter for it to be heard at the lower courts and the same is pending disposal.

The Management has also been working with the APPCB to satisfactorily resolve the matter.

## Note 49:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has been enacted. However, the date on which the Code will come into effect has not yet been notified. The Management will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective.

## Note 50:

The consolidated financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 28, 2024.

### For and on behalf of the Board of Directors

#### Jayadev Galla

Chairman & Managing Director  
DIN: 00143610

Place: New Delhi  
Date: May 28, 2024

#### Vikramadithya Gourineni

Executive Director  
DIN: 03167659

#### Vikas Sabharwal

Company Secretary

Place: Hyderabad  
Date: May 28, 2024

#### Harshavardhana Gourineni

Executive Director  
DIN: 07311410

Place: Hyderabad  
Date: May 28, 2024

#### Delli Babu Y

Chief Financial Officer

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# Glossary

Term	Meaning
39TH AGM	39th Annual General Meeting
AC	Audit Committee
ACMA	Auto Component Manufacturers Association
ACT	Companies Act, 2013
AED	Arab Emirates dirham
AGM TECHNOLOGY	Absorbent Glass Mat (AGM) Technology
AH	Ampere hours
AOA	Article of Association
APAC REGION	Asia Pacific region
APPCB	Andhra Pradesh Pollution Control Board
AR	Amara Raja
ARACT	Amara Raja Advanced Technologies Private Limited
ARBL	Amara Raja Batteries Limited
ARBME	Amara Raja Batteries Middle East
ARCSPL	Amara Raja Circular Solutions Private Limited
ARE&M	Amara Raja Energy & Mobility Limited
ARES	Amara Raja Educational Society
ARGC	Amara Raja Giga Corridor
ARSDC	Amara Raja Skill Development Centre
ASI	Additional Shareholders Information
BBS	Behavior-Based Safety
BCI	Brain Computer Interface
BCP	Business Continuity Plan
BM	Board Meeting
BMS	Battery Management Systems
Bn	Billion
BoD	Board of Directors
BRSR	Business Responsibility and Sustainability Reporting
BSE	Bombay Stock Exchange (BSE)
BS-OHSAS	Occupational Health and Safety Assessment Series
BWMR	Battery Waste Management Rules, 2022
CDP	Carbon Disclosure Project
CDSL	Central Depository Services Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CH4	methane
CII	Confederation of Indian Industry
CO2	Carbon dioxide
COMPANY	Amara Raja Batteries Limited
CPCB	Central Pollution Control Board
CQP	Customer Qualification Plant
Cr	Crores
CRISL	Credit Rating Information Services of India Limited.
CS	Company Secretary
CSR	Corporate Social Responsibility
DEIB	Diverse, Equitable, Inclusive and Belonging
DIN	Director Identification Number
DJSI - Dow Jones Sustainability	Indices
DP	Depository Participant



<b>Term</b>	<b>Meaning</b>
DPID	Depository Participant Identification
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EEPC	Engineering Export Promotion Council
EFB TECHNOLOGY	Enhanced Flooded Battery
EFSI	Employers' Federation of Southern India
ELVs	End of Life Vehicles
EPR	Extended Producer Responsibility
EPS	Earnings Per Share
ESG	Environmental, Social and Governance
ETP	Effluent Treatment Plant
EU	European Union
EVEN	E-voting Event Number
Evs	Electric Vehicles
E-Waste	Electronic Waste
FAME	Faster Adoption and Manufacturing of Hybrid & Electric Vehicles
FAME-India	Faster Adoption and Manufacturing of Hybrid & Electric Vehicles in India
FAPCCI	Federation of Andhra Pradesh Chambers of Commerce and Industry
FIEO	Federation of Indian Export Organisation
FRN	Firm Registration Number (FRN)
FY	Financial Year
GHG	Green House G ases
GHGP	Greenhouse Gas Protocol
GPA	Group Personal Accident Policy
GPTW	Great Place To Work
GRI	Global Reporting Initiative
GTLI	Group Life Cover Policy
GW	Gigawatts/Gigawatt
GWP	Global Warming Potential
HAP	Hazardous Air Pollutants
HFCs	Hydrofluorocarbons
HIRA	Hazard Identification and Risk Assessment
HSE	Health, Safety and Environment.
IBMA	Indian Battery Manufacturers Association
ICC	Internal Complaints Committee
ICE/IC	Internal Combustion Engine
ICQCC	International Convention on Quality Control Circles
IEPF	Investor Education and Protection Fund
IEPFA	Investor Education and Protection Fund Authority
IGBT	Insulated-Gate Bipolar Transistor
IICA	Indian Institute of Corporate Affairs
IOR	Indian Organ Rim
IR	Integrated Report
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
JIS	Japanese Industrial Standards
KECA	Krishnadevaraya Educational & Cultural Association
KMP	Key Managerial Personnel
LAB	Lead Acid Battery
Lac	Lakhs
LCA	Life Cycle Assessment
LEV	Light Electric Vehicle
LIC	Life Insurance Corporation of India
LI-ON(LITHIUM-ION)	lithium-ion (Li-ion) battery

Term	Meaning
LISTING REGULATION	Disclosure
LLP	Limited Liability Partnership
LOTO	Lock Out and Tag Out
LTIFR	Lost Time Injury Frequency Rate
LTIFR	Lost Time Injury Frequency Rate
LTPA	Lakh Tones Per Annum
LVRLA	Large Valve Regulated Lead Acid battery
MD	Managing Director
MEA REGION	Middle East and Africa.
MIL	Mangal Industries Limited
MLP	Multilayered Plastic
Mn	Million
MOA	Memorandum of Association
MoU	Memorandum of Understanding
MSCI - Morgan Stanley Capital	International
MSME	Micro Small and Medium sized enterprises
MTPA	Millions Tons Per Annum
MV	Megavolt
MVRLA	Multi-Valve Regulated Lead Acid battery
N2O	Nitrous oxide
NCLT	National Company Law Tribunal
NCQC	National Convention on Quality Concepts
NECS	National Electronic Clearing Service
NED	Non-Executive Director
NF3	Nitrogen trifluoride
NGRBC	National Guidelines on Responsible Business Conduct
Nox	nitrogen dioxide
NRC	Nomination and Remuneration Committee
NRC POLICY	Nomination and Remuneration Committee Policy
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange
OAVM	Other Audio Video Means
OEM	Original Equipment Manufacturer
OHSMS	Occupational Health and Safety Management Systems
PAT	Profit After Tax
PFCs	Perfluorocarbons
PHC	Primary Health Center
POP	Persistent Organic Pollutants
PPP	Public Private Partnership
R&D	Research and development (R&D)
RE/RS/INR/₹	Indian Rupee
RMC	Risk Management Committee
RNGFPL	RN Galla Family Private Limited
RTA	Registrar and Transfer Agents
SAS	Superannuation Scheme
SASB	Sustainability Accounting Standards Board
SBD-1	Small Battery Division -1
SBD-2	Small Battery Division -2
SBTi	Science Based Target Initiative
SCoC	Supplier Code of Conduct
SCRA	Securities Contracts (Regulation) Act, 1956
SEBI	Securities and Exchange Board of India
SE's	Stock Exchanges

<b>Term</b>	<b>Meaning</b>
SF6	Sulfur Hexafluoride
SGDs	Sustainable Development Goals
SIA	Social Impact Assessments
SMEs	Small and Medium sized enterprises
SOPs	Standard Operating Procedures
Sox	Sulphur oxides
SRC	Stakeholders Relationship Committee
SS-1	Secretarial Standards-1
SS-2	Secretarial Standards-2
TBD	Tubular Battery Division
TCFD	Task Force on Climate-related Financial Disclosures
TDS	Tax Deducted at Source
TFDF	Treatment Storage Disposal Facilities
UAE	United Arab Emirates
ULABs	Used Lead Acid Batteries
UN SDGs - United Nations Sustainable Development Goals	
UNGC	United Nations Global Compact
UNGC - United Nations Global Compact	
UPS	Uninterruptible Power Supply
US	United States
VC	Video Conference
VOC	Volatile Organic Compounds
VRLA - Valve-regulated Lead Acid	
WEF	World Economic Forum
ZLD	Zero Liquid Discharge

**INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT****To****The Board of Directors of Amara Raja Energy & Mobility Limited****Introduction and objectives of work**

The Board of Directors of Amara Raja Energy & Mobility Limited (hereinafter abbreviated as "Amara Raja") have engaged us for providing Assurance Report on identified sustainability information in the Integrated Report (IR) & Business Responsibility & Sustainability Report (BRSR) of the Company for the year ended March 31, 2024. This Annual Integrated report has been prepared International Integrated Reporting Council (IIRC) Frameworks, Global Reporting Initiative Standards, 2021 & Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines for Responsible Business Conduct (NGRBC).

**Intended User**

The assurance statement is made solely for "Amara Raja Energy & Mobility Limited" as per the governing contractual terms and conditions of the assurance engagement contract between "Amara Raja" and "Bureau Veritas". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than "Amara Raja" for the work we have performed for this assurance report, or our conclusions stated in the paragraph below.

**Scope of Work**

We have performed the Limited Assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and in line with the requirements of Bureau Veritas's standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The reporting boundaries considered for this reporting period are as follows:

Head Office:

Renigunta, Kadapa Road, karakambadi, Tirupati, 517 520, Andhra Pradesh, India

Site 1:

Renigunta Cuddapah Road, Karakambadi, Tirupati, -517520 Andhra Pradesh, India

Site 2:

Amar raja growth corridor (ARGC), Nune Gundlapalli, Chittoor, 517 416,

Andhra Pradesh India

As part of its independent Limited assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported. In this process, we undertook the following activities:

Assessment was conducted by means of physical site visits at Tirupati & Chittoor plants. Bureau Veritas interviewed personnel of Amara Raja's including Safety, Environment, Energy, HR, L&D, Procurement / SCM, Finance and Accounts, CSR and other relevant departments.

- The assurance process involved carrying out an Assessment by experienced assessors from Bureau Veritas.
- The Company had submitted performance data on reported IR & BRSR topics. The data pertaining to each location visited was assessed by Bureau Veritas through the process above described.
- Data on various IR & BRSR disclosures was assessed for the locations as mentioned above. Later, it was confirmed that the same assessed the data went into preparation of the final data within the IR & BRSR Report 2023-24.



### **Management Responsibility**

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the IR & BRSR report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of IR & BRSR Report. Our sole responsibility is to provide independent Limited assurance on the BRSR report for the financial year ended 31st March 2024.

### **Our Findings**

On the basis of our methodology and the activities described above,

- Nothing has come to our attention to indicate that the IR & BRSR disclosures are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that Company has established appropriate systems for the collection, aggregation, and analysis of data on Sustainability/Non-Financial performance disclosures in the IR & BRSR.
- The IR & BRSR Report provides a fair representation of the Company's activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the Company and status during the reporting period.

### **Limitations and Exclusions**

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by Amara Raja and statements of future commitment.
- Competitive claims in the report claiming, "first company in India", "first time in India", "first of its kind", etc.

Our assurance does not extend to the activities and operations of "Amara Raja" outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

### **Statement of Independence, Integrity, and Competence**

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 195 years history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure

that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Amara Raja.

### **Competence**

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

### **Restriction on use of Our Report**

Our Limited assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

### **Mr Rupam Baruah**



#### **Technical Reviewer**

**Bureau Veritas Industrial Services (India) Private Limited**

**Kolkata, India**

**Dt: 05.07.2024**

### **M Rama Mohan Rao**



#### **Lead Assuror**

**Bureau Veritas Industrial Services (India) Private Limited**

**Hyderabad, India**

**Dt: 04.07.2024**



## INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT

To

**The Board of Directors of Amara Raja Energy & Mobility Limited**

### Introduction and objectives of work

The Board of Directors of Amara Raja Energy & Mobility Limited (hereinafter abbreviated as "Amara Raja") have engaged us to carry out an independent verification of its Greenhouse Gas Inventory assertions ("the GHG Inventory") i.e. Scope 1, Scope 2 and selected categories of Scope 3 emissions data as defined by the ISO 14064: Part 1 Standard and covering the Company's emissions over the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024, which forms part of the Company's response to the Carbon Disclosure Project (CDP), disclosure for BRSR report of FY 2023-24 and its Integrated Report for FY 2023-24.

### Intended User

The assurance statement is made solely for "Amara Raja Energy & Mobility Limited" as per the governing contractual terms and conditions of the assurance engagement contract between "Amara Raja" and "Bureau Veritas". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than "Amara Raja" for the work we have performed for this assurance report, or our conclusions stated in the paragraph below.

### Scope of Work

We have performed the Limited Assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and in line with the requirements of Bureau Veritas's standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance. The verification applies a  $\pm 5\%$  uncertainty towards errors and omissions.

The reporting boundaries considered for this reporting period are as follows:

Head Office:

Renigunta, Kadapa Road, karakambadi, Tirupati, 517 520, Andhra Pradesh, India

Site 1:

Renigunta, Kadapa Road, karakambadi, Tirupati, 517 520, Andhra Pradesh, India

Site 2:

Amar raja growth corridor (ARGC), Nune Gundlapalli, Chittoor, 517 416,

Andhra Pradesh, India

The Scope of work agreed upon with Amara Raja includes verifications of its GHG emissions (Scope 1, Scope 2 and selected categories of Scope 3) as listed below:

Scope 1 emissions arising from

- Consumption of diesel (in DG Sets, Boilers and intermediate transportation),
- Acetylene Consumption in plant process,
- LPG Consumption (in furnace and ETP-ZLD Process),
- Usage (topping up) of different refrigerant gases and
- Usage (topping up) of Carbon Dioxide gas in Fire extinguishers.

Scope 2 emissions arising from

- Use of purchased electricity from Grid

Scope 3 emissions from categories (GHG Protocol) of

- Category 1 – Purchased Good & Services (Primary & Secondary Lead, Sulphuric acid, Polypropylene, Lubricants & Tubular batteries)
- Category 4 – Upstream transport & Distribution of raw materials (Raw Material transportation by Road & Sea)
- Category 5 – Waste generated in operations (Plastic waste, E-Waste, Hazardous Wastes, non-hazardous wastes, waste recycled, landfilled and incinerated)
- Category 6 – Business travel (employee commute, business travel by road and air and product transportation)
- Category 7 – Employee Commuting
- Category 9 – Downstream transport & distribution
- Category 12 – End – of – life treatment of Solid Products
- Category 13 – Downstream leased assets

As part of its independent Limited assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported. In this process, we undertook the following activities:

Assessment was conducted by means of physical site visits at Tirupati & Chittoor plants. Bureau Veritas interviewed personnel of Amara Raja's including Safety, Environment, Energy, HR, L&D, Procurement / SCM, Finance and Accounts, CSR and other relevant departments.

- The assurance process involved carrying out an Assessment by experienced assessors from Bureau Veritas.

#### Verification Methodology

The verification was conducted by Bureau Veritas for the following activities:

- Desktop Review of ARE&ML emissions provided in spreadsheets
- Management interaction on data management systems and review of emission factors and assumptions at HO & Sites
- On site assessment from 15<sup>th</sup> to 17<sup>th</sup> May 2024 for the data monitoring and reporting at HO and site.

Conclusion:

Scope	Source	GHG Emissions (Tonnes of CO <sub>2</sub> e)
Scope 1	Emissions arising from the consumption of fuels like diesel, Acetylene, LPG, use of refrigerant gases & CO <sub>2</sub>	6604
Scope 2	Emissions from consumption of grid electricity	209781
Scope 3	Under Categories (GHG Protocol) of 1,4,5,6,7,9,12,13)	405699
<b>Total</b>		<b>622084</b>



### **Management Responsibility**

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the GHG Inventory report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of GHG Inventory Report. Our sole responsibility is to provide independent Limited assurance on the GHG Inventory report for the financial year ended 31st March 2024.

### **Our Findings**

On the basis of verification methodology and scope of work agreed upon, nothing has come to our attention to believe that the GHG data as below is not correct and is not a fair representation of Amara Raja GHG Emissions – Inventory for FY 2023-24.

### **Limitations and Exclusions**

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by Amara Raja and statements of future commitment.
- Competitive claims in the report claiming, “first company in India”, “first time in India”, “first of its kind”, etc.

Our assurance does not extend to the activities and operations of “Amara Raja” outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

### **Statement of Independence, Integrity, and Competence**

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 195 years history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Amara Raja.

### **Competence**

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

**Restriction on use of Our Report**

Our Limited assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

**Mr Rupam Baruah****Technical Reviewer****Bureau Veritas Industrial Services (India) Private Limited****Kolkata, India****Dt: 05.07.2024****M Rama Mohan Rao****Lead Assuror****Bureau Veritas Industrial Services (India) Private Limited****Hyderabad, India****Dt: 04.07.2024**

# Notice of the Annual General Meeting

To the Members of

**AMARA RAJA ENERGY & MOBILITY LIMITED**

(Formerly known as Amara Raja Batteries Limited)

NOTICE is hereby given that the **39<sup>th</sup> Annual General Meeting (AGM)** of the members of Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Limited) will be held on **Saturday, August 3, 2024**, from 3:00 PM IST onwards through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

## Ordinary Business:

To consider, if thought fit, to pass, the following resolution nos. from 1 to 4, as ordinary resolution(s).

1. To adopt the audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, the report of the Joint Statutory Auditors' thereon and the report of the Board of Directors'.
2. To adopt the audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Joint Statutory Auditors' report thereon.
3. To confirm the payment of the interim dividend and to declare the final dividend on the Company's equity shares for the Financial Year ending March 31, 2024.
4. To consider and approve the reappointment of Mr. Harshavardhana Gourineni (DIN: 07311410), who retires by rotation as a director and, being eligible, offers himself for reappointment.

## Special Business:

5. **To consider and appoint Dr. Amar Patnaik (DIN: 08602154) as an Independent Director of the Company**

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 Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualifications of Directors) Rules, 2014, and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and

Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Dr. Amar Patnaik (DIN: 08602154), who was appointed as an Additional Director, categorized as an Independent Director with effect from June 18, 2024 who holds office upto the date of this Annual General Meeting under Section 161 of the Act, and meets the criteria for independence as provided in the Act and Listing Regulations, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years from June 18, 2024 to June 17, 2029 and to receive remuneration by way of commission on profit, if any, within the permissible limit in terms of Section 197 of the Act, as determined by the Board, from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To ratify the remuneration of the Cost Auditors for the Financial Year 2024-2025**

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 Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Sagar & Associates, Cost Accountants, Hyderabad, Firm Registration No. 000118, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2024-25 at a remuneration of ₹ 475,000/- (Rupees Four Lakhs Seventy Five Thousand only) plus reimbursement of out-of-pocket expenses and applicable taxes be and is hereby ratified.

**RESOLVED FURTHER THAT** any of the Directors or Key Managerial Personnel of the Company be and they are hereby severally authorized to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."



**7. To consider and approve payment of commission to Non-Executive Independent Directors for financial years 2024-25 to 2028-29**

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 197 and all other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time (“Act”) and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to the sitting fees being paid/payable for attending the meetings of the Board of Directors and Committee(s) thereof, approval of the members of the Company be and is hereby accorded for the payment of Commission

to all the Non-Executive Independent Directors of the Company for each of the financial years from 2024-25 to 2028-29, in such sum or proportion, in such manner and in all respects as determined by the Board, provided the aggregate of such commission shall not exceed one percent (1%) of the net profits of the Company calculated for that financial year in accordance with the provisions of Section 198 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this resolution.”

By Order of the Board of Directors  
**For Amara Raja Energy & Mobility Limited**  
 (Formerly known as Amara Raja Batteries Limited)

**Vikas Sabharwal**  
 Company Secretary

Place: Hyderabad  
 Date: June 18, 2024

Corporate Identification Number (CIN): L31402AP1985PLC005305  
 Registered Office: Renigunta-Cuddapah Road, Karakambadi, Tirupati,  
 Andhra Pradesh – 517 520 Tel: 91 (877) 226 5000 Fax: 91 (877) 228 5600  
 E-mail id: [investorservices@amararaja.com](mailto:investorservices@amararaja.com)  
 Website: [www.amararajaeandm.com](http://www.amararajaeandm.com)



**Notes:**

1. Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular - SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/ OAVM. The venue for the 39<sup>th</sup> AGM shall be the Company's Registered office from where the Meeting proceedings are deemed to be made.
2. The VC/OAVM facility for members to join the meeting shall be kept open 30 minutes before the start of the AGM. Members can attend and participate in the AGM through VC/ OAVM only by following the instructions given in Serial No. 25 of this Notice.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy so appointed need not be a member of the Company. Since this AGM is being held pursuant to the aforesaid Circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointing proxies by the Members will not be available for the AGM; hence, the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e., other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of their Board or governing body Resolution/Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/ Authorization should be sent to the Scrutinizer by email through its registered email address to [rsaevoting@gmail.com](mailto:rsaevoting@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).
5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. An explanatory statement pursuant to Section 102(1) of the Act and the Rules made thereunder and pursuant to the relevant regulation of Listing Regulations that sets out details relating to the special businesses to be transacted at the meeting is annexed hereto as **Annexure-I** and forms part of the notice.
7. Brief profile of Mr. Harshavardhana Gourineni, Director, proposed to be reappointed, and brief profile of Dr. Amar Patnaik, proposed to be appointed as an Independent Director, along with the names of the Companies in which he holds directorships and memberships/chairmanships of Board, Committees, shareholding and other details as required under Secretarial Standard on General Meetings and Listing Regulations are furnished as **Annexure-II** and forms part of the notice.
8. In compliance with the aforesaid Circulars, the Annual Report 2023-24, including the notice of the AGM, inter-alia, indicating the process and manner of remote e-voting, attending AGM through VC/OAVM and instructions for members for e-voting on the day of AGM are being sent by electronic mode to all the members whose e-mail address are registered with the Company/Depositories for communication purposes. Members holding shares in physical/demat form who have not registered their email address with the Company, or the Depository Participants can get the same registered with the Company as per the procedure provided in Serial No. 24.
9. Members may also note that the notice of the AGM and the Annual Report 2023-24 will be posted on the Company's website, [www.amararajaeandm.com](http://www.amararajaeandm.com), and also on the websites of the stock exchanges, i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM notice will also be available on the NSDL website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Company shall send a physical copy of the Annual Report 2023-24 to the Members who specifically request the same by emailing [investorservices@amararaja.com](mailto:investorservices@amararaja.com).
10. The registers, i.e. Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested maintained under Section 170 and Section 189 of the Act, respectively, will be available electronically for inspection by members during the AGM. All documents referred to in this Notice and the explanatory statement annexed hereto will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. August 3, 2024. Members seeking to inspect such documents can send an email to [investorservices@amararaja.com](mailto:investorservices@amararaja.com).
11. The register of members and share transfer books of the Company will remain closed from Friday, July 19, 2024, to Thursday, July 25, 2024 (both days inclusive).
12. The record date for the purpose of the final dividend of the financial year 2023-24 is Thursday, July 18, 2024. The final dividend of Rs. 5.10/- (510%) per equity share of Re.1/- each, if declared, shall be paid on or before September 1, 2024, to those members whose names appear in the register of members or in case of shares held in dematerialized form to the beneficiaries as of the close of business hours of the record date, as per details furnished by NSDL and CDSL.
13. Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the members



effective from April 1, 2020. The Company must deduct tax at source (TDS) from dividends paid to the Members at prescribed rates in the Income Tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, members are requested to complete and / or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants or, in case shares are held in physical form, with the Company by sending email to the Company's email address at [investorservices@amararaja.com](mailto:investorservices@amararaja.com) and/or <https://wisdom.cameoindia.com>

For more details, members are requested to refer "Communication on tax deduction at source on dividend distribution" appended to this notice.

14. The recorded transcript of the AGM shall also be made available on the website of the Company [www.amararajaeandm.com](http://www.amararajaeandm.com) in the Investors section as soon as possible, after the meeting is concluded.
15. Questions prior to AGM: Members seeking any information or asking questions with regard to the financial statements of the Company or on any matter in the annual report 2023-24 are requested to write from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [investorservices@amararaja.com](mailto:investorservices@amararaja.com) on or before Tuesday, July 30, 2024. Such information sought, or questions by the members shall be furnished or replied to by the Company suitably.
16. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, Unit: Amara Raja Energy & Mobility Limited, Subramanian Building, No. 1, Club House Road, Chennai- 600 002, Tamil Nadu, India ("Cameo" or "RTA") for assistance in this regard.
17. To support the 'Green Initiative', members who have not registered their e-mail addresses so far are requested to register their e-mail address with their Depository participants (DPs), in case the shares are held by them in electronic form/ Demat form and with Cameo Corporate Services Limited in case the shares are held by them in physical form for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically. Alternatively, members holding shares in physical form are requested to visit <https://wisdom.cameoindia.com> to register their e-mail address and mobile number with the Company.
18. Members are requested to register or intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants with whom they are maintaining their demat accounts in case the shares are held by them in electronic form/demat form and to Cameo in case the shares are held by them in physical form.
19. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN and Bank account details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank details to the RTA. The following documents need to be provided for updation of Bank Account Details - Name and Branch of the Bank in which you wish to receive the dividend, Bank Account type, Bank Account number, 9 digits MICR Code number, 11 digits IFSC Code and a Scanned Copy of the cancelled cheque bearing the name of the first shareholder.
20. SEBI, in its notification dated January 24, 2022, has mandated that all requests for transfer of securities, including transmission and transposition requests, shall be processed only in dematerialized form. In view of this, to eliminate all risks associated with physical shares and avail themselves of various benefits of dematerialization, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, for assistance in this regard.
21. Pursuant to the provisions of Section 124(5) of the Act, the amount of dividend (s) declared/paid up to the financial year 2015-16 and remaining unpaid for consequent 7 years has been transferred, from time to time on respective due dates, to the Investors Education and Protection Fund (IEPF). The due date for transferring unclaimed/unpaid dividends for financial year 2016-17 and thereafter to IEPF are given in other requirements/ information part of the Corporate Governance report. Details of unpaid/unclaimed dividends lying with the Company as of March 31, 2024, is available on the Company's website i.e. [www.amararajaeandm.com](http://www.amararajaeandm.com).
22. As per the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017 and amendments made thereunder (Rules), all shares in respect of which dividend remains unpaid or unclaimed for seven years, or more, are required to be transferred

to the Investor Education and Protection Fund (IEPF) Authority. The shareholders are requested to claim their unpaid/ unclaimed dividends in order to avoid the transfer of shares to the IEPF Authority. The Company has transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as per Rules. The details of shares transferred to the IEPF have also been uploaded to the website of the IEPF Authority, and the same can be accessed at [www.iepf.gov.in](http://www.iepf.gov.in) Members may note that shares, as well as unclaimed dividends transferred to IEPF Authority, can be claimed.

### 23. Voting through Electronic Means (Remote e-voting):

- i. In compliance with the provisions of Section 108, 110 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Company is pleased to provide e-voting facility to the members to exercise their right to vote on resolutions set forth in the notice convening the 39<sup>th</sup> AGM by electronic means. The Company has engaged the National Securities Depository Limited (NSDL) services as the authorized agency to provide e-voting facilities. The instructions for remote e-voting are given in Serial No. 24.
- ii. The remote e-voting event number (EVEN) is 129033. The remote e-voting will commence on **Wednesday, July 31, 2024 (9:00 a.m. IST) and ends on Friday, August 2, 2024 (5:00 p.m. IST)**. During this period, members of the Company, holding shares either in physical form or in dematerialized form as of Saturday, July 27, 2024, i.e. cut-off date, may cast their vote electronically. NSDL shall disable the e-voting module for voting thereafter. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently or cast the vote again.
- iii. Any person holding shares in physical form and non-individual shareholders who acquire shares of the Company and become a member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **Saturday, July 27, 2024**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password to vote. If you forgot your password, you can use the "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll-free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat

mode who acquire shares of the Company and become Members of the Company after sending the Notice and holding shares as of the cut-off date i.e. **Saturday, July 27, 2024**, may follow the steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

- iv. Members who have cast their vote by e-voting prior to the meeting may also attend the AGM through VC/OAVM but are not entitled to cast their vote again.
- v. The facility for remote e-voting shall be made available during the AGM, and those members who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. The procedure for e-voting on the day of the AGM is the same as the instructions given in Serial No. 24 for Remote e-voting.
- vi. The voting rights of the members shall be in proportion to the paid-up value of their shares in the Company's equity capital as of the cut-off date, i.e. Saturday, July 27, 2024. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as of the cut-off date, i.e. Saturday, July 27, 2024, shall only be entitled to avail the facility of remote e-voting and during the AGM.
- vii. The Board of Directors has appointed Mr. R Sridharan (Membership No. FCS 4775 and CP No. 3239) from M/s R. Sridharan & Associates, Company Secretaries as Scrutinizer and failing him Ms. Srinidhi Sridharan, (Membership No. FCS 12510 and CP No. 17990) from M/s Srinidhi Sridharan & Associates to scrutinize the remote e-voting process and voting during the AGM in a fair and transparent manner.
- viii. The Scrutinizer shall, immediately after the conclusion of voting during the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than two (2) working days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorised by the Chairman for counter signature.

- ix. The Results shall be declared by the Chairman or by an authorized person of the Chairman, and the resolutions will be deemed to have been passed on the date of the AGM, subject to receipt of the requisite number of votes in favour of the resolutions.
- x. After the declaration of the results, the same shall be placed along with the Scrutinizer's Report(s) on the website of the Company [www.amararajaeandm.com](http://www.amararajaeandm.com) and on NSDL's website <https://evoting.nsdl.com> and communicated to the Stock Exchanges i.e. BSE and NSE, where the shares of the Company are listed for placing the same on their website(s).

### Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



## 24. E- Voting instructions:

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDEAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDEAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="703 348 1046 547" style="text-align: center;"> <p>The image shows a promotional banner for the NSDL Mobile App. It features the text 'NSDL Mobile App is available on' at the top. Below this, there are two logos: the Apple App Store logo on the left and the Google Play logo on the right. Underneath each logo is a square QR code. The entire graphic is set against a light blue background.</p> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33</p>

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 129033 then user ID is 001***129033

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/ Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen

signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rsaevoting@gmail.com](mailto:rsaevoting@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request to at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investorservices@amararaja.com](mailto:investorservices@amararaja.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investorservices@amararaja.com](mailto:investorservices@amararaja.com).
3. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.

5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**The instructions for members for e-voting on the day of the AGM are as under:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**25. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the

same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first serve basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investorservices@amararaja.com](mailto:investorservices@amararaja.com). The same will be replied by the company suitably.
7. Registration of Speaker: Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investorservices@amararaja.com](mailto:investorservices@amararaja.com) from Monday, July 22, 2024 (9:00 a.m. IST) to Monday, July 29, 2024, (5:00 p.m. IST). Those members who have registered themselves as a speaker in advance will only be allowed to express their views/ask questions during the AGM.
8. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
9. In case any assistance is needed, members may contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or at toll free no. 1800 1020 990 and 1800 22 44 30.

By Order of the Board of Directors  
**For Amara Raja Energy & Mobility Limited**  
**(Formerly known as Amara Raja Batteries Limited)**

Place: Hyderabad  
 Date: June 18, 2024

**Vikas Sabharwal**  
 Company Secretary



## Annexure-I

### Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

The following statement sets out all material facts relating to special businesses mentioned in the accompanying notice dated June 18, 2024, and shall be taken as forming part of the notice.

#### Item No. 5

Pursuant to the recommendation of the Nomination and Remuneration Committee (NRC), Section 161 of the Companies Act, 2013, the Board, on June 18, 2024, appointed Dr. Amar Patnaik (DIN: 08602154) as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (Five) consecutive years with effect from June 18, 2024 to June 17, 2029 (both days inclusive) subject to the approval of the shareholders through a special resolution.

The Company has received the following from Dr. Patnaik:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”);
- b. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- c. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations;
- d. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- e. Confirmation that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- f. A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act. The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Dr. Patnaik. In the opinion of

the Board, Dr. Patnaik fulfils the conditions for independence specified in the Act, the Rules made thereunder, the Listing Regulations and such other laws/regulations for the time being in force, to the extent applicable to the Company. The Board noted that Dr. Patnaik’s skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director. The Board considers that the appointment of Dr. Patnaik will be of immense value to the Company. As required under Regulation 36 (3) of the Listing Regulations and Secretarial Standards-2, a brief resume of Dr. Patnaik and other requisite details are given in the Annexure to this Notice.

The Board of Directors have inducted Dr. Patnaik as a member of the Audit Committee & NRC, effective June 18, 2024.

The proposed resolution seeks the approval of members by way of special resolution for the appointment of Dr. Patnaik as an Independent Director for a term of 5 years from June 18, 2024, to June 17, 2029 (not liable to retire by rotation) pursuant to Section 149(10) and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder. In terms of proviso to Regulation 25(2A) of the Listing Regulations, 2015, where a special resolution for the appointment of an independent director fails to get the requisite majority of votes, but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an independent director shall be deemed to have been made under this regulation.

A copy of the draft letter for the appointment of Dr. Amar Patnaik as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working Days. Members can send an email to [investorservices@amararaja.com](mailto:investorservices@amararaja.com) seeking inspection of the letter of appointment.

None of the Directors, Key Managerial Personnel or their relatives except Dr. Amar Patnaik, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no.5. The Board recommends the special resolution as set out in Item no. 5 of this notice for the approval of members

#### Item No. 6

The Board of Directors, at their meeting held on May 28, 2024, on the recommendation of the Audit Committee, approved the appointment of M/s. Sagar & Associates, Cost Accountants, Hyderabad, Firm Registration No. 000118, as Cost Auditors of



the Company to conduct the audit of the cost records of the Company in respect of products manufactured by the Company falling under CETA code 8507 i.e. Electric Accumulators, including separators for the financial year 2024-25 on a remuneration of ₹ 475,000/- [Rupees Four Lakhs Seventy Five Thousand only] plus reimbursement of out-of-pocket expenses and applicable taxes.

Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, approval of the members is sought by way of an ordinary resolution as set out in item no. 6 of the notice ratifying the remuneration payable to the Cost Auditors for the financial year 2024-25.

The Board, based on the Audit Committee's recommendation, unanimously recommends the ordinary resolution as set out in item no. 6 of this notice.

None of the Directors, Key Managerial Personnel, or their relatives are interested financially or otherwise in the resolution, as set out in item no. 6 of this notice.

#### Item No. 7

The members of the Company, at the Annual General Meeting, held on July 20, 2019, approved payment of commission to Non-Executive Independent Directors in such sum and proportion as the Board may deem fit, provided the aggregate of such commission to Non-Executive Independent Directors shall not exceed 1% of the Company's net profits per annum.

Further, in terms of provisions of Regulation 17(6) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders in general meeting.

The Company's Non-Executive Independent Directors of the Company are crucial to keeping balance on the Board with their vast domain expertise and rich experience across a wide spectrum of functional areas, and in order that the Non-Executive Independent Directors need to be compensated for their time and efforts in discharging their duties under the Act. Accordingly, approval of the members by way of special resolution is being sought for the payment of Commission to all the Company's Non-Executive Independent Directors for each of the 5 (five) financial years from 2024-25 to 2028-29.

The Board, after taking into account the performance as independent directors, unanimously recommends the special resolution as set out in item no. 7 of this notice. The Non-Executive Independent Directors are concerned or interested in item no. 7 to the extent that they would be entitled to receive a commission as may be payable to them occasionally if approved by the members.

None of the other Directors, Key Managerial Personnel or their relatives are financially or otherwise interested in the resolution in item no. 7 of this notice.

By Order of the Board of Directors  
**For Amara Raja Energy & Mobility Limited**  
**(Formerly known as Amara Raja Batteries Limited)**

Place: Hyderabad  
 Date: June 18, 2024

**Vikas Sabharwal**  
 Company Secretary

## Annexure-II

### **Brief particulars of the Director(s) proposed for appointment/re-appointment at the Annual General Meeting and other details pursuant to Secretarial Standard-2 on General Meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**



**Harshavardhana Gourineni**

**Executive Director**

Mr. Harshavardhana Gourineni (DIN:07311410), (Date of Birth: July 15, 1988, Age: 35 years), currently serves as the Executive Director of the Company. He is an accomplished business leader who has made significant contributions to the growth and expansion of ARE&M. Mr. Gourineni started his career in the Power Solutions division of the erstwhile Johnson Controls, now Clarios, and worked for three years across roles in manufacturing operations and demand planning.

After living in the US for 25 years, Mr. Gourineni moved to India inspired by his grandparents, Amara Raja Group founders Dr. Ramachandra N Galla and Smt. Aruna Kumari Galla. He joined the group in 2015, at the age of 25, as a senior management executive, where he was responsible for supply chain issues and distribution network deficiencies in ARE&M (previously ARBL). Since then, he has climbed the leadership ladder and held various multifunctional roles in the business.

He has worked in different positions across the Amara Raja Group Companies including media arm. As MD and CEO of Mangal Industries, Mr. Gourineni scaled the business by adding marquee customers like Samsung and IKEA and established a design partnership with AXISCADES Technologies. He also oversaw remarkable growth in annual revenue and was instrumental in setting up Amara Raja Group's first manufacturing location outside of Andhra Pradesh in Oragadam, Chennai.

In June 2021, Mr. Gourineni was appointed as the Executive Director of the Company, where he is responsible for leading the Automotive and Industrial businesses. He has spearheaded a comprehensive modernization process and has unlocked a digital transformation journey across functions. He leads a globalization effort for Amara Raja Energy & Mobility, taking the company's brands to new geographies. He has also focused on green energy, sustainability, and new technologies to reduce the company's carbon footprint, setting up a captive 50MW solar power plant and a new Lead recycling plant. He holds a Bachelor of Science degree in Industrial and Organisation Psychology from Purdue University, USA.

**Terms and conditions of appointment:** As approved by the Members at the 36th Annual General Meeting held on August 14, 2021. Mr. Harsha's office as a director is subject to retire by rotation.

**Date of first appointment to the Board, last drawn remuneration and number of Board meetings attended:** Mr. Harsha was first appointed to the Board on June 12, 2021. Details pertaining to his appointment, remuneration, and number of meetings attended are provided in the Corporate governance report of this Integrated Annual Report 2023-24.

**Remuneration proposed to be paid:** As approved by the Members at the 36th Annual General Meeting held on August 14, 2021.

**Expertise in specific functional area and Skills and Capabilities required for the role and the manner in which he meets such requirements:** Strategy, Governance, Board service, Business understanding, Industry and Sector knowledge, Finance, Technology, Human Resources

**Shareholding in the Company as on the date of his appointment i.e., June 18, 2024:** Nil

**Disclosure of relationships between directors inter-se:** He is nephew of Mr. Jayadev Galla, Chairman, Managing Director and Chief Executive Officer and brother of Mr. Vikramadithya Gourineni, Executive Director.

**Listed entities (other than Amara Raja Energy & Mobility Limited) in which Mr. Harsha holds directorship and committee membership:** Nil



**Listed entities from which Mr. Harsha has resigned in the past three years: Nil**

**Any Other Directorships: Nil**

S. No	Name of the Company	Designation	Committee <sup>®</sup>	Chairman/Member <sup>®</sup>
1	Amara Raja Power Systems Limited	Director	NA	NA
2	Amara Raja Advanced Cell Technologies Private Limited	Director	NA	NA
3	Amara Raja Circular Solutions Private Limited	Director	NA	NA
4	Amara Raja Infra Private Limited	Director	NA	NA
5	HG Global Private Limited	Director	NA	NA
6	Amara Raja Media and Entertainment Private Limited	Director	NA	NA
7	Mangal Industries Limited	Director	Audit	Member
8	RNGalla Family Private Limited	Director	NA	NA
9	HG Chemicle Private Limited	Director	NA	NA

<sup>®</sup>Only Audit Committee and Stakeholders Committee.



**Dr. Amar Patnaik**

**Non-Executive Independent Director**

Dr. Amar Patnaik (DIN: 08602154) (Date of Birth: May 24, 1967, Age: 57 years) was appointed as Additional Director, categorized as Non-Executive Independent Director w.e.f. June 18, 2024. Dr. Patnaik had a distinguished career in the Indian Civil Services from where he took premature retirement. He served as an Indian Audit and Accounts Service (IA&AS) officer under the Comptroller & Auditor General (CAG) of India for 28 years and held the position of Principal Accountant General (PAG) in Sikkim, Odisha, West Bengal, and Kerala. Dr. Patnaik also worked on global external audit assignments with the United Nations in New York, Sudan, Uganda & Italy and has led India's External Audit Missions to various countries. He has audited the IT systems of the UN and FAO, and the several national entities like the Indian Railways and State Governments during his career with the CAG of India.

Dr. Patnaik also served as a Member of Parliament (2019-24) in the Rajya Sabha from Odisha. During his tenure as an MP, he was a member of the Parliamentary Standing Committee on Finance, Committee on Public Undertakings & Rajya Sabha Committee on Subordinate Legislation.

Dr. Patnaik is a distinguished thought leader with a prolific record of publications on a wide range of economic issues such as fiscal federalism, financial inclusion mechanisms, carbon trading systems, monetary policy, economy, poverty, markets, financial systems, regulations etc. His writings advocate for evidence-based reforms to promote economic growth, including rationalizing subsidies, and expanding credit access to MSMEs. Additionally, he envisions empowering Self-Help Groups (SHGs) to facilitate their transition into MSMEs. Through his parliamentary interventions, he has shed light on the intricacies of debt financing, and the inflationary pressures arising from supply-side constraints. He has advocated for strong grievance redressal mechanisms in Financial regulators.

He is a leading voice for innovative solutions, proposing new frameworks for ESG and carbon accounting. Dr. Patnaik's career both in the civil services and in the Parliament has been marked by a steadfast commitment to shaping a responsible technological future for India by promoting technology-led innovation aided by right, often soft-touch, regulation. His demonstrably influential role in developing data privacy legislation, including serving as a member of the Joint Parliamentary Committee on the Personal Data Protection Bill, 2019 contributed to establishing a robust legal framework for the digital age privacy concerns. He played a key role in drafting Finance Committee reports, particularly those highlighting competition and anti-trust in the digital space and big tech environment. Dr. Patnaik's advocacy extends to emerging areas like online gaming, artificial intelligence, and the metaverse, where through his writings, he has championed balanced regulations that foster responsible technological advancement and innovation while protecting users against harm.



Furthermore, Dr. Patnaik is a staunch advocate for fostering healthy competition within the digital landscape, ensuring a level playing field for a flourishing tech ecosystem. His expertise has been recognized by leading industry bodies such as ASSOCHAM and FICCI, where he has served as a regular keynote speaker. Additionally, Dr. Patnaik has had the distinct honor of delivering keynote addresses at the prestigious Global Fintech Summit, organized by NPCI in 2022 as well as 2023.

He has participated in various parliamentary delegations to Brussels and Berlin, discussing data privacy and digital regulation with European parliamentarians under the aegis of the ORF and the KAS Foundation.

His academic qualifications include a bachelor's degree in Physics from St. Stephens College at Delhi University, an MBA in Finance and Systems from Xavier's Institute of Management, Bhubaneswar, and a Master's program in public management from the Lee Kuan Yew School of Public Policy, Singapore and the Kennedy School of Government, Harvard University. He was also a British Chevening Gurukul Scholar in 2013 to pursue studies at the London School of Economics. Dr. Patnaik completed his Ph.D. in institutional studies from XIMB, Bhubaneswar and has an Advanced Management Certificate from the Wharton School, USA.

He is a Certified Fraud Examiner (Association of Certified Fraud Examiners) and Certified Internal Auditor (Institute of Internal Auditors). He possesses demonstrable expertise in risk management, evidenced by certifications in Risk Management Assurance (Institute of Internal Auditors). These credentials highlight his commitment to strong internal controls for mitigating financial and technological risks. He is also a practicing Advocate, advising clients and government officials on the ramifications of law(s) and their implementation ecosystem in India.

**Terms and conditions of appointment:** As per the resolution at item no. 5 of this notice read with explanatory statement thereto.

**Date of first appointment to the Board, last drawn remuneration and number of Board meetings attended:** It is proposed to appoint Dr. Patnaik as an Independent Director for his first term on the Board and hence, these details are not applicable.

**Remuneration proposed to be paid:** It is proposed to the Shareholders at resolution no. 7 of this notice to consider and approve payment of commission to Non-Executive Directors in such sum and proportion as the Board may deem fit, provided the aggregate of such commission to Non-Executive Directors shall not exceed 1% of the Company's net profits per annum for a period of five financial years i.e., 2024-25 to 2028-29.

**Expertise in specific functional area and Skills and Capabilities required for the role and the manner in which he meets such requirements:** Finance, Audit, Legal, Economics, Public Management, Political, Global Business, Cybersecurity, Strategy, Leadership, Information Technology, Risk Management.

**Shareholding in the Company as on the date of his appointment i.e., June 18, 2024:** Nil

**Disclosure of relationships between directors inter-se:** None

**Listed entities (other than Amara Raja Energy & Mobility Limited) in which Dr. Patnaik holds directorship and committee membership:** Nil

**Listed entities from which Dr. Patnaik has resigned in the past three years:** Nil

**Any Other Directorships:** Nil



## Communication on tax deducted at source

Dear Shareholders,

As you may be aware that as per the revised provisions of the Income Tax Act 1961 ("IT Act"), dividends paid or distributed by a company after April 1, 2020, are taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the applicable rates ("TDS") at the time of making the payment of dividends as and when declared by the Company. However, no withholding of tax is applicable if the dividend payable to resident individual shareholders having valid PAN is less than ₹ 5,000 per annum.

The TDS would vary depending on the residential status of the shareholder and documents submitted by them and accepted by the Company in this regard. Accordingly, the dividend, when declared, will be paid after deducting TDS.

The following table below provides a brief of the applicable TDS provisions under the Act for Resident and Non-Resident shareholder(s) categories along with the required documents.

### For Resident Shareholder(s):

Particulars	Applicable TDS Rate	Documents required (if any)
With PAN	10%	Update the PAN, if not already done, with the depositories (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agent – Cameo Corporate Services Limited at <a href="https://investors.cameoindia.com">https://investors.cameoindia.com</a> (in case of shares held in physical mode).
Without PAN/ Invalid PAN	20%	N. A.
Submit Form 15G/ Form 15H	NIL	Declaration in Form No. 15G (applicable to resident individual)/ Form 15H (applicable to resident individual who is 60 years and older), fulfilling certain conditions under the Act. Form 15 G/ 15 H can be downloaded from <a href="https://investors.cameoindia.com">https://investors.cameoindia.com</a> . There is also provision to upload the 15G/15H in the website <a href="https://investors.cameoindia.com">https://investors.cameoindia.com</a> provided by the Company's Registrar and Share transfer agent M/s Cameo Corporate Services Limited.
Submit Order under Section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authority.
Shareholders to whom Section 194 of the Act is not applicable	NIL	Documentary evidence that the said provisions are not applicable.
Persons Covered under Section 196 of the Act (e.g. Mutual Funds, Govt., RBI)	NIL	Documentary evidence that the shareholder is covered under said Section 196 of the Act and Declaration that their income is exempt under Section 10 (23D) of the Income Tax Act, 1961 and therefore no TDS is required under Section 196 (iv) of the Income Tax Act, 1961.
Alternative Investment Funds (AIF) registered with SEBI	Nil	AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate

\*Notwithstanding the above, tax would not be deducted on payment of dividend to resident individual shareholder(s), if the total dividend to be paid in any financial year does not exceed ₹ 5,000.

**For Non-Resident Shareholder(s)**

Particulars	Applicable TDS Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	None
Other Non-resident shareholders	20% (plus applicable surcharge and cess) or Tax Treaty Rate** (whichever is lower)	Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company: Self-attested copy of the PAN Card, if any, allotted by the Indian authorities. Self-attested Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident. Self-declaration in Form 10F duly filled and signed Self-declaration (as per Annexure A to this communication) from Non- resident, primarily covering the following: Shareholder is and will continue to remain a tax resident of the Country of its residence during the financial year for which it is declared; Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner; Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and Shareholder does not have a taxable presence or a permanent establishment in India during the financial year for which it is declared

\*\* The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the company.

**Notes:**

- TDS to be deducted at higher rate in case of non-filers of Return of Income. The provisions of Section 206AB require the deductor to deduct tax at higher of the following rates from amount paid/ credited to specified person:
  - At twice the rate specified in the relevant provision of the Act; or
  - At twice the rates or rates in force; or
  - At the rate of 5%

The non-resident who does not have the permanent establishment and resident who is not required to file a return under section 139 of the Act are excluded from the scope of a specified person.

However, as directed by the Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, the Company will be using functionality of the Income-tax department for determination of specified person for the purpose of Section 206AB of the Act.

- TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar. As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act.

The Company will be using functionality of the Income-tax department for the above purpose. Provisions will be effective from July 1, 2023. Shareholders may visit <https://www.incometax.gov.in/iec/foportal/> for FAQ issued by Government on PAN Aadhar linking.



3. Shareholders who are exempted from TDS provisions through any circular or notification may need to provide documentary evidence in relation to the same to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder. The aforesaid documents, as applicable, are required to be duly completed, signed and shall be sent to investor@cameoindia.com or investorservices@amararaja.com. The Company shall determine the appropriate TDS / withholding tax rate applicable based on the declarations received by it as on the Record Date(s) fixed by it for the dividend(s) proposed, if any.
4. The updation of PAN, submission of Form 15G/15H, submission of documents including declaration from non-resident shareholders and any documents submission with regard to TDS shall reach the RTA at investor@cameoindia.com.
5. The above communication on TDS sets out the provisions of the law in a summary only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.
6. Kindly note that no claim shall lie against the Company for the tax deducted at source on Dividend. It may further be noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the shareholders, the shareholders may file return of income and claim refund of tax, as appropriate.
7. The Company shall arrange to email the soft copy of TDS certificate at your registered email ID in due course, post payment of the dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometaxindiaefiling.gov.in/>
8. If the tax is deducted at a higher rate in absence of receipt of or satisfactory completeness of the afore-mentioned details / documents by Company before Dividend Processing Period, the shareholder(s) may claim an appropriate refund in the return of income filed with their respective Tax authorities.
9. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
10. In the event the registered shareholder intends to transfer the TDS credit on the dividend income to other persons as per Rule 37BA of the Income Tax Act 1962, such shareholder is required to submit the duly signed Declaration containing the name, address and PAN of the person to whom the TDS credit is to be given and the reasons for giving the credit to such person. Incomplete declaration forms will not be entertained by the company for transfer of TDS credit. The registered shareholder shall indemnify the Company for any incorrect or misleading information furnished in the Declaration.

#### **11. Updating of Bank Account:**

Shareholders holding shares in demat mode are requested to ensure that their bank account details are updated with their respective demat accounts, to enable the Company to make timely credit of dividends in their respective bank accounts.

In case of any query you reach out to us by sending an email at investor@cameoindia.com or investorservices@amararaja.com or contact Mr. P Muralidharan, Joint Manager, Cameo Corporate Services Limited at +91 44 28460718.



## Annexure A

### Format for declaration for claiming benefits under DTAA (only for non-resident shareholders)

Date:

To

**Amara Raja Energy & Mobility Limited**

Renigunta-Cuddapah Road

Karakambadi, Tirupati

Andhra Pradesh - 517520

Dear Sir/Madam,

**Re: Declaration provided to Amara Raja Energy & Mobility Limited ("The Company") for claiming the tax treaty benefits for the financial year 2024-25 (ending on March 31, 2025).**

#### Declaration

This is to confirm that,

- .....<Name of shareholder>] is a tax resident of Country of residence> as per the provisions of the Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion/ Tax Treaty between India and .....<Country of residence> [the "India- Country of residence> Double Taxation Avoidance Agreement (DTAA)]; ·
- I/We will continue to maintain the 'tax resident' status in \*his/her/its respective Country for the application of the provisions of the India- Country of residence> Tax Treaty, during the financial year 2024-25.
- I/We is/are eligible to claim the benefits under the provisions of India-[COUNTRY RESIDENCE] DTAA;
- I/We confirm that I/We are entitled to claim the benefits under the Treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting (MLI) including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), Simplified Limitation of Benefits (SLOB), period of holding of shares etc. as applicable.
- We specifically confirm that my affair / affairs were not arranged such that the main purpose or the principal purpose thereof was to obtain tax benefits available under the applicable tax treaty.
- I/We confirm that I/We have not entered into an impermissible avoidance arrangement i.e. an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and it (a) creates rights, or obligations, which are not ordinarily created bet-ween persons dealing atarm's length (b) results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act (c) lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part; or (d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.
- The claim of benefits by me/us is not impaired in any way;
- I/We hereby furnish a copy of valid Tax Residency Certificate dated \_\_\_\_\_ having Tax Identification number \_\_\_\_\_ issued by \_\_\_\_\_ along with a acknowledged copy of e- Form 10F duly filled and signed for the period April 2024-March 2025.
- I/We are the beneficial owner of [NO OF SHARES] shares held in the Company as per Folio \_\_\_\_\_ / demat account \_\_\_\_\_ (if shares are held under different Folio No., give separate details for all). Further, I/we is/are the beneficial owner of dividend receivable from the Company in relation to aforementioned shares;
- I/We does not have any taxable presence, fixed base or permanent establishment in India as per the provisions of the India-[COUNTRY OF RESIDENCE] DTAA during the Financial Year 2024-25; and
- I/We am/are the holder/ not the holder of (strikethrough whichever is not applicable) PAN allotted by the Income Tax Authorities in India.
- I/We will immediately inform the Company if there is a change in the status.



- \*I/We hereby confirm that the declarations made above are complete, true and bona fide. This declaration is issued to the Company to enable them to decide upon the withholding tax applicable on the dividend income receivable by me/us.
- I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

Yours faithfully,

For .....[Name of shareholder]  
Authorized Signatory [Name/designation]  
Email address: [Please insert]  
Contact Number: [Please insert]









**Amara Raja Energy & Mobility Limited**

(Formerly known as Amara Raja Batteries Limited)

**Corporate Operations Office**

TERMINAL A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad - 500 032, India.

Tel No. +91 40 23139000,

Fax No. +91 40 23139001, E-mail: [mktg@amararaja.com](mailto:mktg@amararaja.com)

**Registered Office & Works**

Karakambadi-517 520, Tirupati, Andhra Pradesh, India. Tel No:+91 877 2265000, Fax No. +91 877 2285600,

E-mail: [amararaja@amararaja.com](mailto:amararaja@amararaja.com), Website: [www.amararajaeandm.com](http://www.amararajaeandm.com),

Corporate Identification Number: L31402AP1985PLC005305.