

**EVEREADY** 

**INDUSTRIES INDIA LTD.**

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August 8, 2017

BSE Limited  
P.J. Towers,  
Dalal Street, Fort  
Mumbai - 400 001

The National Stock Exchange  
of India Ltd  
Exchange Plaza, C-1,  
Block – G,  
Bandra Kurla Complex  
Bandra (East)  
Mumbai - 400 051

The Calcutta Stock Exchange  
Limited  
7, Lyons Range  
Kolkata - 700001

Dear Sirs,

**Annual Report and Accounts of the Company for the year ended March 31, 2017**

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the Annual Report and Accounts of the Company for the year ended March 31, 2017, which was approved and adopted in the Annual General Meeting of the Members of the Company held on August 7, 2017.

This is for your reference and records.

Very truly yours,  
**EVEREADY INDUSTRIES INDIA LTD.**



**(T. PUNWANI)**

**VICE PRESIDENT – LEGAL  
& COMPANY SECRETARY**

Enco : As Above.



**EVEREADY**  
GIVE ME RED



# **Powering up<sup>™</sup>**

*Expanded offerings >> Enhanced growth*

**2016-17**  
ANNUAL REPORT  
EVEREADY INDUSTRIES INDIA LIMITED

# Inside this **REPORT** ^^

## Corporate Overview

Lighthouse of Hope	04
Financial Performance	06
Managing Director's Perspective	08
Powering up means ^^	10
Corporate Information	16

## Statutory Overview

Report of the Directors	17
Management Discussion and Analysis	33
Report on Corporate Governance	37
Business Responsibility Report	45

## Financial Statements

Standalone Financials	50
Consolidated Financials	106
Statement of Subsidiaries	165

### **A part of the Williamson Magor Group**

Founded in 1860, Williamson Magor Group has been the pioneer in India's tea story. Over the years, the Group has successfully diversified its business interests consumer goods, engineering and construction, emerging as a multi-business enterprise with a over ₹ 5,000-crore turnover.



**₹133.30 CRS**

Operational EBITDA

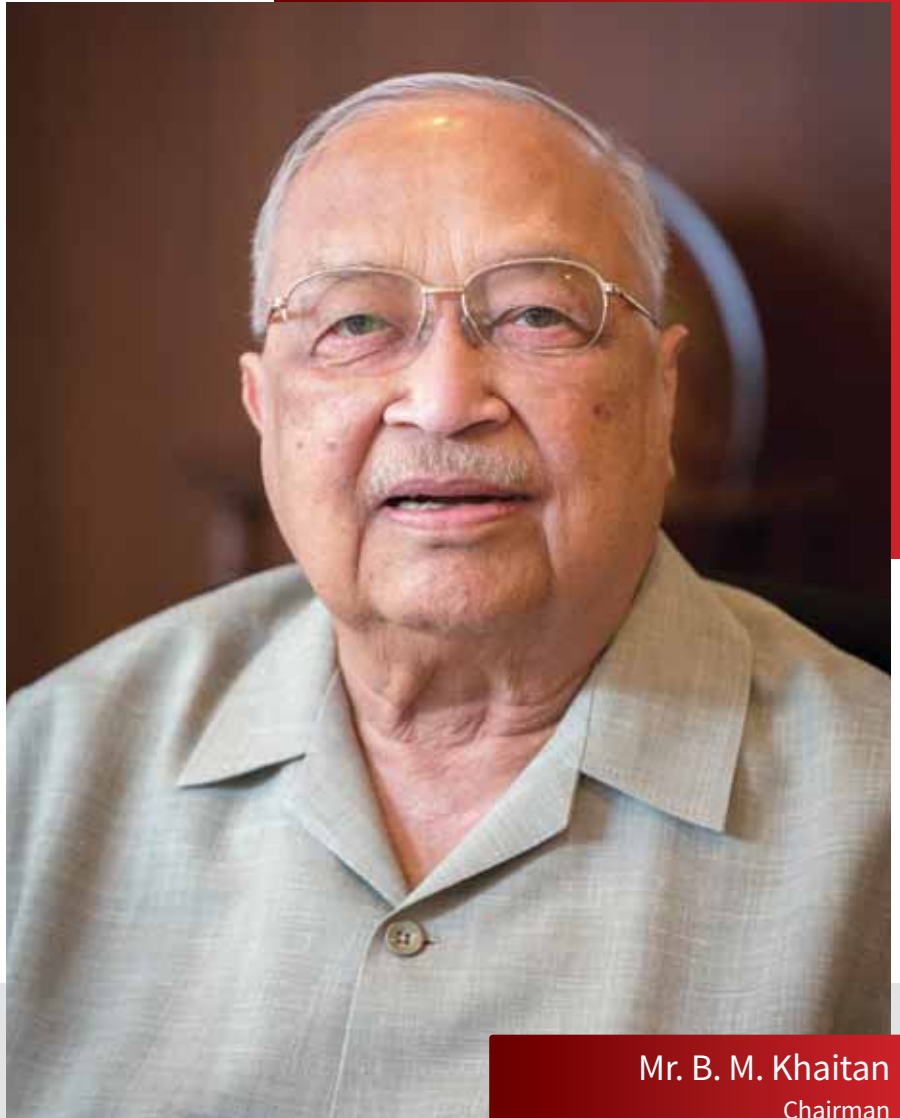
**₹93.63 CRS**

PAT

**₹1,353.81 CRS** **₹12.88**

Net Sales

Earnings per share



Mr. B. M. Khaitan  
Chairman  
Eveready Industries India Ltd.



*Eveready's century-old legacy has been powering people's lives for generations and enabling their aspirations. We will continue to inspire millions of people with the power of our brand.*

**As the Indian economy accelerates with over 7% growth rate, opportunities are growing in every sector.**





Brand Eveready has always moved ahead in step with changing times, while at the same time remaining rooted to its legacy that upholds innovation and values stakeholder trust.

**At Eveready, we have helped elevate millions of lives by providing intelligent portable power and energy-efficient lighting solutions.**

Today, we are an iconic personal power brand, trusted by millions. This trust has given us the confidence to diversify with a rich repertoire of products in the consumer appliances segment.

Our drive for innovation and diversification will continue as our brand reaches more people with smarter products that save energy and sport a contemporary look.

The Goalpara Assam plant will have a capacity of 500 million pieces of batteries and 9 million flashlights. During the year, we commenced commercial production at our new plant in Assam to cater to the ever-growing portable energy requirements.

We reinforced our brand's position in the core product categories of batteries and flashlights and lighting through an intricate and robust distribution network system. It was built over the years to cater to the emerging demand of rural and urban India in the portable energy and flashlights.

This was also the year in which we strengthened our household appliances portfolio to offer smart gadgets for the kitchen and homes of both middle class and affluent consumers. In consonance with our philosophy to extend the Eveready brand equity, we offer best-in-class solutions to make everyday life better and more convenient.

The year also saw us putting significant emphasis on automation to strengthen operations. The result was better capacity utilisation, higher efficiencies and an encouraging financial performance.

The growing promise of India's economy, aspirations of our consumers and the continuing trust of our stakeholders inspire us.

*We are powering up with expanded offerings to enhance growth.*

# Lighthouse of **HOPE** ^^

*The world has radically changed in the preceding 100 years. Institutions have come and gone, business realities have changed, ways of life have evolved.*

For decades, we have retained and strengthened our timeless appeal, touching lives, and bringing hope to millions through our consistent innovation and product diversification.

In our long journey, we have seen several peaks and valleys and walked with the winds of change. Despite challenges, the Eveready brand has always moved in step with times.

Our endeavour is to consistently remain relevant with new products across business segments.

We sell over 1.3 bn units of dry cell batteries and around 25 mn units of flashlights, annually. We are also consistently growing our portfolio in the LED lighting and consumer appliances space.

## OUR VISION

*Our vision is to improve the quality of life of people through cutting-edge, portable energy and lighting solutions and to strengthen the timeless appeal of our brand.*

## OUR BUSINESS VERTICALS



BATTERIES



FLASHLIGHTS



LIGHTING AND ELECTRICALS



APPLIANCES



PACKET TEA

## OUR BRAND UNIVERSE



### OUR BRAND TRACTION

- Brand Eveready enjoys **65%+** top-of-the-mind recall
- Market leader in the Indian dry cell battery segment, commanding over **50%** market share
- Commands over **75%** market share in the Indian organised flashlights market
- Emerging as one of the **leading** LED players in the Indian market

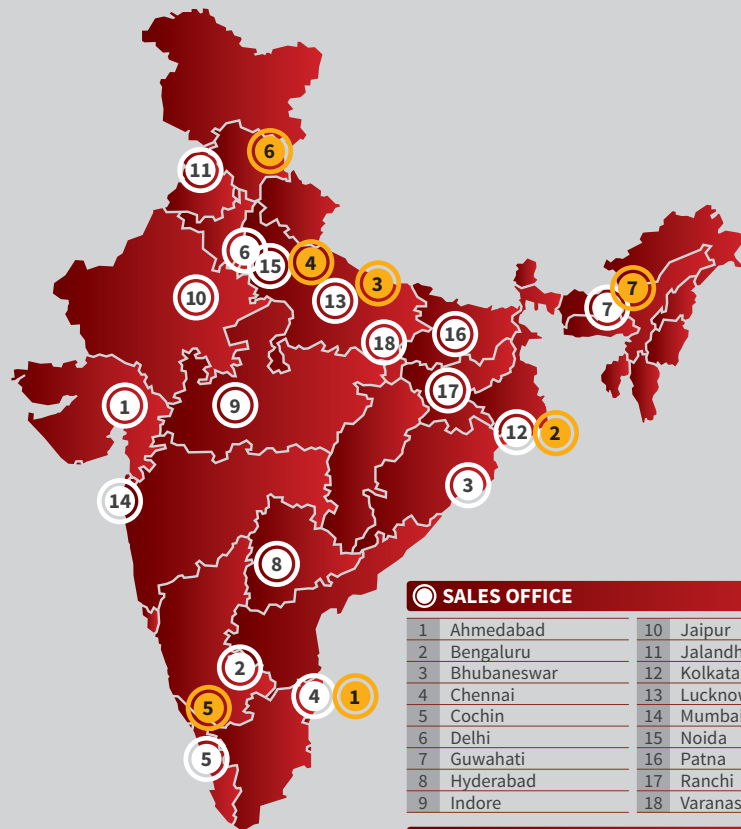
### OUR INNOVATION FOCUS

Our consistent focus is to increase efficiency of existing products and adding new products to the product portfolio.

### OUR OPERATING PRACTICES

Driven by best-in-class operating standards, we never compromise on quality (ISO 9000) and environmental best practices (ISO 14000).

### OUR PAN-INDIA PRESENCE



Map not to scale

## 50%+

Market share in the Indian dry cell battery segment

## 75%+

Market share in the Indian organised flashlights market

## 3.2MN+

Outlets store Eveready's products

## 1MN+

Outlets are serviced by our network

## 18

Sales office branches across India

## 4,000+

Distributor network

## 42+

Distribution centres

## 1,000+

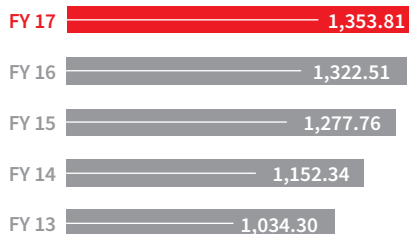
Van servicing retailers



# Financial PERFORMANCE ^^

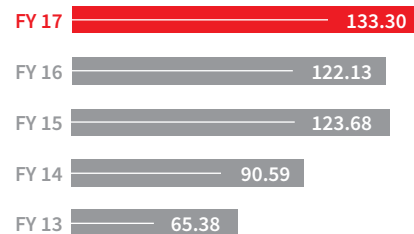
## PROFIT AND LOSS METRICS

Net sales ₹ Crores



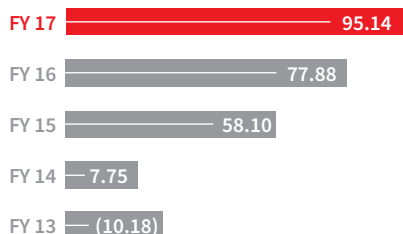
2.37% Y-O-Y ↑

Operational EBIDTA ₹ Crores



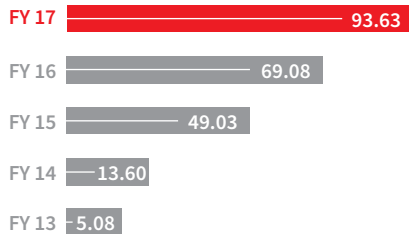
9.15% Y-O-Y ↑

Operational PBT ₹ Crores



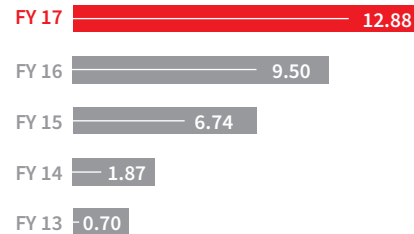
22.16% Y-O-Y ↑

PAT ₹ Crores



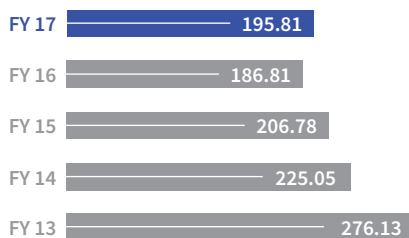
35.54% Y-O-Y ↑

Earnings per share ₹

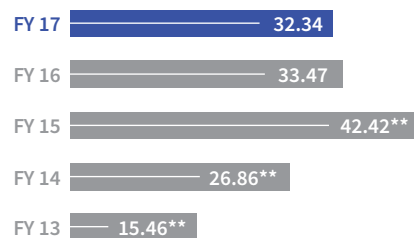


## BALANCE SHEET METRICS

Debt position ₹ Crores

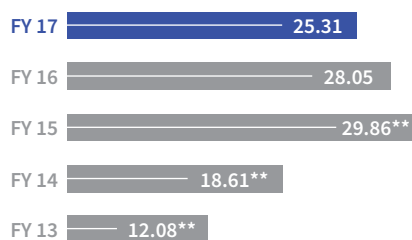


Return on net worth (%)



\*\*Adjusted for Goodwill

## Return on capital employed (%)



\*\*Adjusted for Goodwill

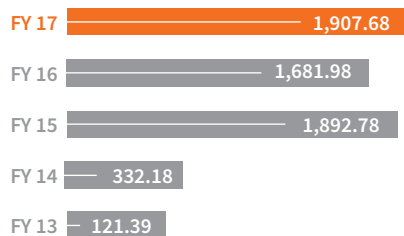
## KEY FINANCIAL RATIOS

PARTICULARS	2016-17	2015-16*	2014-15
DEBT-EQUITY RATIO	0.68	0.91	1.42
INTEREST COVERAGE RATIO	5.96	4.14	3.07
DEBT SERVICE COVERAGE RATIO	0.65	0.59	0.52

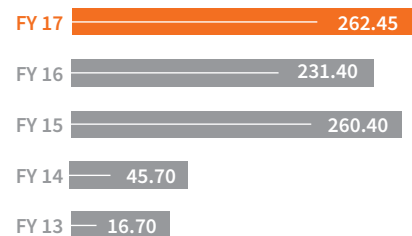
\* Restated as per Ind AS

## SHAREHOLDER METRICS

## Market capitalisation ₹ Crores



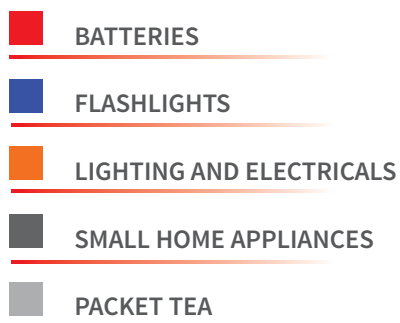
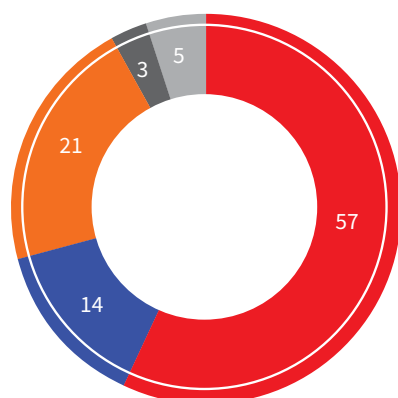
## Share Price ₹ /Share



13.42% Y-O-Y ↑

13.42% Y-O-Y ↑

## SHARE OF TURNOVER (%)



# **MANAGING DIRECTOR'S** **Perspective** ^^



**Amritanshu Khaitan**  
Managing Director



***We are powering up to touch and transform many more lives. We are both a young, and a time-honoured brand. We are fleet-footed, optimistic and committed to bring change in the lives of our consumers; with a maturity of vision that only experience can bestow.***

## **DEAR SHAREHOLDERS,**

At Eveready, we see a larger role for ourselves in the encouraging macro-economic landscape. During the year, the Indian economy continued to be one of the fastest growing major economies of the world. The GDP for FY 2016-17 touched 7.1%, demonstrating the fact that India's economic fundamentals continue to be strong.

Against the backdrop of robust stability, two major domestic policy developments marked the year: the passage of GST bills in Parliament, paving the way for the transformational Goods and Services Tax (GST); and the decision to demonetise the two highest denomination notes. The GST will create a common Indian market, improve tax compliance and governance, and bolster investment and growth. It is also a bold new experiment in the governance of India's cooperative federalism. On the other hand, demonetisation has had short-term challenges, but holds the potential for long-term benefits. According to the Economic Survey, follow-up actions to maximise the benefits of demonetisation comprise: fast, demand-driven, remonetisation; further tax reforms, including bringing land and real estate into the GST; and reducing tax rates and stamp duties. These initiatives would allow growth to return to trend in 2017-18, following a temporary decline in 2016-17.

## GROWING MARKETS

*A recent study by the McKinsey Global Institute (MGI) suggests that if India continues to grow at its current pace, average household income of people will triple over the next two decades. This will make India the world's fifth-largest consumer economy by 2025, up from the current 12th position.*

India is rapidly urbanising beyond metros; and a new wave of consumption hubs are emerging with millions of aspirational consumers. With our range of products, consumer outreach programmes, marketing initiatives and focus on innovation, we will continue to touch many more lives. We are powering up to energise new India.

## OUR PERFORMANCE

We performed satisfactorily in FY 2016-17. Our net sales increased from ₹ 1,322.51 crores in FY 2015-16 to ₹ 1,353.81 crores in FY 2016-17. Our operating profits grew from ₹ 122.13 crores in FY 2015-16 to ₹ 133.30 crores in FY 2016-17; our PAT increased to ₹ 93.63 crores in FY 2016-17 vis-à-vis ₹ 69.08 crores in FY 2015-16. Our earning per share stood at ₹ 12.88 in FY 2016-17 compared to ₹ 9.50 in FY 2015-16. We consolidated our positions in our core business of batteries and flashlights. We

expanded our prominence in the LED-based lighting products and consumer appliances space.

We continue to enjoy significant brand recall in the Indian battery and flashlight market for quality, variety and affordable price points. We have also witnessed a demand recovery in the flashlights segment after sluggish growth for a few years.

We invested in capacity expansion as we were optimistic of our core businesses. We started commercial production at our new plant in Goalpara, Assam, that has a capacity of 500 million pieces of batteries and 9 million LED flashlights. This project is eligible for tax reliefs applicable to the north-east region.

We expanded our presence in the LED lighting business by developing an extensive line of home, professional, and infrastructural lighting solutions for homes, offices, industries, showrooms and road lighting. The extended range of products, together with the brand and its value proposition, will power us to continue our growth trajectory. We are also proactively bidding for government supply under the UJALA scheme.

The Indian appliances market is witnessing a customer preference shift from unorganised to organised segment, offering a significant opportunity for us. We have widened product range across price points, design and energy consumption. We strengthened our distribution and retail network for better pan-India coverage. We have also expanded our service centre network for enhancing customer care.

We intend to reorganise our packet tea operations. We will continue with the packet tea operations through a wholly-owned subsidiary. The objective is to provide a sharper focus to the packet tea business, which remains mixed with the Eveready branded product verticals.

## THE BIG AGENDA

Going forward, we aim to focus on five key priorities:

- Fostering stronger relationships with customers
- Growing our LED lighting and consumer appliances businesses
- Consolidating our vast distribution network
- Innovating and expanding our products' spectrum
- Nurturing our people capabilities

On behalf of the entire leadership team at Eveready, I am thankful to all stakeholders for believing in our vision and powering our ideas.

Warm regards,

**Amritanshu Khaitan**

Managing Director

*Powering up means ^^*

# ***Enriching lives with PORTABLE ENERGY AND NEW-AGE FLASHLIGHTS***

*Our brand has been synonymous with portable energy solutions for decades on end. We are the undisputed market leader in batteries and flashlights, and our brand equity continues to grow. Our extensive distribution network enables us to grow the scale and scope of these two segments.*



Eveready batteries have been a way of life as it has evolved for everybody, from operating remote controls at home to all kinds of portable gadgets on-the-move. We are also a front-runner in the field of portable lighting. With an in-depth understanding, we have been designing and developing some of the most practical, stylish and innovative range of flashlights for varied usages.

#### BATTERY PRODUCTS

- AA Premium & Popular batteries
- AAA Premium & Popular batteries
- D size batteries
- C size & 9 V batteries
- Alkaline batteries
- Rechargeable batteries

#### FLASHLIGHT PRODUCTS

- LED Torches
- Rechargeable LED Torches
- LED Lanterns
- Rechargeable LED Lanterns

#### CORE STRENGTHS

- **Brand recall:** Eveready is more than just a brand, it is a household name, the part and parcel of everyday lives of millions of Indians from all sections of society for over a hundred years.
- **Reach:** We have a pan-India distribution network across urban and rural markets.

- **Quality:** Our proven durability and quality assurance ensures enhanced customer satisfaction.
- **Trust:** We enjoy enduring customer trust across product categories.

#### OUR PROGRESSION, 2016-17

- Introduced RED TRON series of torches with sharper, brighter and longer beam
- Introduced new age Li-ion battery based Rechargeable LED torches to provide the Best in class torches to the end consumers
- Introduced superior quality mobile power with 10400 mah capacity
- Rolled out 'Paint a million RED' POS campaign, thereby promoting Eveready product range
- Participated in more than 50 rural mela's to promote and directly expose Eveready product range to the end consumers

#### FUTURE PRIORITIES

- Continue to satisfy our valuable consumers with value for money products
- Evolve with time and develop technologically advanced offering for consumers
- Enhance market share for batteries and Torches through continuous marketing initiatives

#### Flashlight making capacity

# 12.50

Million pieces

#### Battery making capacity

# 2.30

Billion pieces



#### EXPANDED BATTERY AND FLASHLIGHT CAPACITY

We started commercial production at our new plant in Assam to cater to the ever-growing portable energy requirements. The Goalpara, Assam plant will have a capacity of 500 million pieces of batteries and 9 million flashlights. This project will provide tax reliefs applicable to the north-east area.

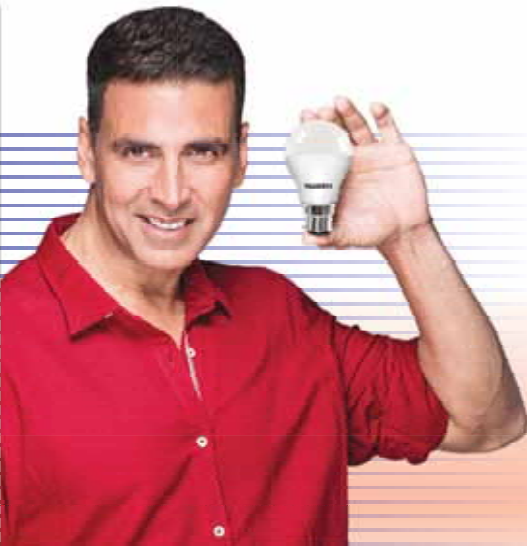


**Powering up means ^^**

# **Touching lives with LED-based LIGHTING SOLUTIONS**

*India's preference for home and commercial lighting solutions is changing radically. Demand is growing for lighting solutions that offer better energy efficiency, wider variety and higher longevity. The Government of India is also giving a significant push by promoting LED-based efficient lighting through the Unnat Jyoti by Affordable LEDs for All (UJALA) programme.*





**HIGHEST LUMENS MEANS  
BRIGHTEST  
LIGHT**

**15-20%**

Indian LED market CAGR rate in next five years (2016-20)

**2 LAKH**

Outlets offer Eveready lighting solutions

**₹150-160 BN**

Indian LED market size in 2020

In line with the market demand, we have created a comprehensive basket of LED-based solutions for urban and rural India.

Our new-age Eveready LED lamps offer more brightness per watt (120 lumens per watt). These lamps have a life of around 25,000 hours and available at very competitive market prices. Going forward, LED-based lighting solutions are likely to replace Incandescent Lamps (GLS) and Compact Fluorescent Lamps (CFL) over the next few years.

#### LIGHTING PRODUCTS

##### Conventional Lighting Products:

- Incandescent Lamps (GLS)
- Compact Fluorescent Lamps (CFL)

##### LED-based Lighting Products:

- LED Bulbs
- LED Tubelight Batten sets
- Indoor Luminaire range
- LED Street Lights
- LED Flood Lights
- DigiLED battery operated and solar Lanterns

#### CORE STRENGTHS

- **Brand prominence:** Our brand recall is built on the firm pedestal of quality standards, reliability and consistent marketing efforts.
- **Wider reach:** We reach out to the length and breadth of the country through our exclusive network.
- **Focused approach:** Separate sales and distribution channel has been set up to specifically cater to electrical outlets and B2B customers.
- **Customer awareness:** We are constantly educating consumers on the importance of lumens, while choosing LED bulbs. We regularly participate in exhibitions, organise events and put up information kiosks at large format stores to educate consumers.

#### OUR PROGRESSION, 2016-17

- Introduced a complete range of LED based lighting solutions for home consumers
- Introduced LED battens, which are likely to see a huge replacement demand push in the coming days
- Focused on a continuous brand-building exercise to get improved acceptance for our LED business in the organised B2C lighting segment
- Executed government orders worth ₹ 46.50 crores
- Developed a portfolio of outdoor lighting - low wattage street LED lights (up to 60 watt lights)
- Introduced high wattage LED lights for hotels and large buildings
- Built a team of lighting designers and engineers for growing our presence in the professional lighting space
- Put in place key account managers for medium to large projects
- Basis 'Brand Asset Value' (BAV) research, Eveready Lighting seen as the most well differentiated brand in the Lighting Industry

#### FUTURE PRIORITIES

- Aggressively pursuing government business
- Aggressively foray into professional lighting B2B business with the launch of indoor and outdoor luminaires
- Develop own line of professional and infrastructural lighting solutions for office, industries, showrooms and road lighting
- Aggressively grow our electrical outlet reach in the next two years and through which we intend to capture growth in the lighting business
- Develop a programme for influencers like luminaire stockists, contractors and electricians



*Powering up means ^^*

# ***Wowing consumers with BEST-IN-CLASS APPLIANCES***

*We are expanding our presence in the highly fragmented domestic consumer appliances segment, which offers immense opportunity. The demand for consumer appliances is expected to grow in India, owing to the expanding base of middle-class and affluent consumers and improving consumer lifestyles.*

*Moreover, rising per capita disposable income of consumers, especially upper- and lower-middle income groups, continues to drive demand in the appliances market.*



## Our offerings



- |                          |                          |                       |
|--------------------------|--------------------------|-----------------------|
| 01. Mixer Grinder        | 08. Oven Toaster Griller | 15. Immersion Heaters |
| 02. Juicer Mixer Grinder | 09. Sandwich Maker       | 16. Chopper           |
| 03. Food Processors      | 10. Electric Kettle      | 17. Coffee Maker      |
| 04. Juicers              | 11. Pop-up Toasters      | 18. Multi Grill       |
| 05. Gas Stoves           | 12. Induction Cooker     | 19. Roti Maker        |
| 06. Irons                | 13. Rice Cooker          | 20. Room Heaters      |
| 07. Ceiling Fans         | 14. Water Heaters        | 21. Air Purifiers     |

Our strategy is to carve out a market share in the value-for-money segment, catering to the aspirational society by providing energy-efficient appliances that improve people's lives.

### CORE STRENGTHS

- **Asset light model:** The vertical operates through outsourced products from China and India (domestic vendors) in a 40:60 ratio.
- **Available across platforms:** Eveready appliances are available in general trade, modern trade as well as e-commerce platforms across India. We are present in almost all large format stores (LFR) like HyperCity, D-Mart, Spencer, among others. We also sell through Cash & Carry operators (Metro Cash & Carry and Walmart).
- **Pan-India reach:** We initially began operations in the markets of East and North India and subsequently expanded to the West and South of India.
- **Service levels:** We provide over two-year warranty on products and offer free services for any manufacturing defects within the warranty period. We also

have a dedicated toll-free number for lodging complaints or queries.

### OUR PROGRESSION, 2016-17

- Strengthened product range, ensuring extensive depth in terms of wattage, price points and features
- Strengthened our distribution network across key markets in India
- Launched dedicated call centre team in four languages to enhance our customer service quotient
- Created brand recall through regular advertisements in leading newspapers
- Organised multiple below the line (BTL) activities to create brand awareness

### FUTURE PRIORITIES

- Enhance penetration across key markets
- Grow our product range and depth across each category
- Grow our distribution channel to reach out to tier-II and tier-III locations
- Organise regular customer connect programmes and branding activities to ensure top-of-mind recall

# 21

Appliance product categories offered

# 135

Service centres across India

# 260

Distributors offer our appliance products

# ~7,000

Retailers sell our appliance product

# Corporate INFORMATION ^^

## BOARD OF DIRECTORS

**Mr. Brij Mohan Khaitan**

Chairman (Non-Executive)

**Mr. Aditya Khaitan**

Vice Chairman (Non-Executive)

**Mr. Amritanshu Khaitan**

Managing Director

**Mr. Suvamoy Saha**

Wholetime Director & CFO

**Mr. Subir Ranjan Dasgupta**

**Mr. Sanjiv Goenka**

**Mr. Ajay Kaul\***

**Mrs. Ramni Nirula**

**Mr. Sudipto Sarkar**

Non-Executive Independent Directors

## BOARD COMMITTEES

### AUDIT COMMITTEE

**Mr. Subir Ranjan Dasgupta**, Chairman

**Mrs. Ramni Nirula**

**Mr. Sudipto Sarkar**

### NOMINATION & REMUNERATION COMMITTEE

**Mr. Sudipto Sarkar**, Chairman

**Mr. Subir Ranjan Dasgupta**

**Mr. Aditya Khaitan**

### STAKEHOLDERS RELATIONSHIP COMMITTEE

**Mr. Subir Ranjan Dasgupta**, Chairman

**Mr. Suvamoy Saha**

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Mr. Amritanshu Khaitan**, Chairman

**Mr. Subir Ranjan Dasgupta**

**Mr. Suvamoy Saha**

## VICE PRESIDENT - LEGAL & COMPANY SECRETARY

Mrs. Tehnaz Punwani

## AUDITORS

*Deloitte Haskins & Sells*

## REGISTERED OFFICE

1 Middleton Street  
Kolkata 700 071  
West Bengal, India  
Phone : 91-33-22883950  
Fax: 91-33-22884059

## CORPORATE OFFICE

2 Rainey Park  
Kolkata 700 019  
West Bengal, India  
Phone : 91-33-24559213  
Fax: 91-33-24864673

CIN : L31402WB1934PLC007993  
Email : investorrelation@eveready.co.in  
www.evereadyindia.com

\* Effective May 30, 2017

## REPORT OF THE DIRECTORS

For the financial year ended March 31, 2017

Your Directors are pleased to present the Annual Report, together with the Audited Financial Statements of your Company for the financial year ended March 31, 2017.

### FINANCIAL RESULTS

The Financial Results of the Company are summarized below:

Particulars	₹ Crores	
	2016-17	2015-16*
Net Sales	1,353.81	1,322.51
Other Income from operations	1.37	1.12
<b>Total Income from Operations</b>	<b>1,355.18</b>	<b>1,323.63</b>
Total Expenditure adjusted for increase/decrease of stocks	1,221.88	1,201.50
<b>Profit from Operations before Other Income, Depreciation, Finance Costs and Tax</b>	<b>133.30</b>	<b>122.13</b>
Other Income	9.57	7.77
<b>Profit from Operations before Depreciation, Finance Costs and Tax</b>	<b>142.87</b>	<b>129.90</b>
Depreciation	14.93	13.90
Interest and Exchange Fluctuation	23.23	30.35
<b>Profit before Tax</b>	<b>104.71</b>	<b>85.65</b>
Provision for Tax	11.08	16.57
<b>Profit after Tax</b>	<b>93.63</b>	<b>69.08</b>
<b>Balance carried forward to Balance Sheet</b>	<b>(37.74)</b>	<b>(121.84)</b>

\*The Company adopted Ind AS from April 1, 2016 and accordingly, the financial results of the previous year has also been restated in accordance with Ind AS 101 – First-time adoption of Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. (Refer explanation (b) to first time Ind AS adoption reconciliation attached to the financial statements).

Net sales for the year were higher by 2% over the previous financial year. Profit before Depreciation, Interest and Tax (PBDIT) was higher by 9% at ₹ 133.30 Crores (previous year- ₹ 122.13 Crores). There were no exceptional items (previous year- Nil). With depreciation of ₹ 14.93 Crores (previous year- ₹ 13.90 Crores) and a decrease in interest / exchange fluctuation charge of ₹ 23.23 Crores (previous year- ₹ 30.35 Crores), Profit after Tax stood at ₹ 93.63 Crores for the year as against a restated profit of ₹ 69.08 Crores in the previous year. Net accumulated losses stood at ₹ 37.74 Crores, after adjustments, which includes the goodwill amount of ₹ 478.50 Crores, lying in the books, as at March 31, 2015, against the General Reserves and retained earnings, in terms of Ind AS 38.

### DIVIDEND

In terms of Section 123 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2015, the Company is unable to declare any dividend as there are net accumulated losses as stated above.

Accordingly, your Directors do not recommend any dividend for the year ended March 31, 2017.

### TRANSFER TO RESERVES

There was no transfer to General Reserves during the year under review.

### OPERATIONAL REVIEW & STATE OF THE COMPANY'S AFFAIRS

#### Batteries & Flashlights

The battery category was adversely impacted due to lower consumer off-take and de-stocking in trade channels post demonetization, announced by the Government during the latter part of the year. The market also continued to be disturbed by poor quality products imported from China at dumped prices. As a result, the category volume and value both remained flat during the year.

The market share position of the major players remained unaltered during the year under review, with your Company's share being estimated at 50%.

The flashlights market remained disturbed by proliferation of cheap flashlights of poor quality by the unorganized and gray market players. However, in a heartening turnaround, the category could overcome the adverse impact of demonetization and registered a robust volume growth during the last quarter of the year, resulting in an overall growth of 4% for the year. Turnover however de-grew by 4.8% due to rationalization of MRPs, necessitated to overcome the adverse impacts mentioned above.

Your Company's share of the organized flashlight market was maintained at 70%. However, this has to be seen in the perspective of a large unorganized market, which is estimated at the same size as the organized market.

The manufacturing operations in these product categories continued to focus on total quality management, safety, energy conservation and cost control. This helped your Company in achieving efficiency in the manufacturing function.

Operations at the manufacturing facility at Assam, commenced on February 23, 2017. This project will provide tax reliefs applicable to the area.

#### Lighting & Electrical Products

Your Company had diversified to the marketing of electrical & lighting products in the recent past. These products found excellent fit to its brands—Eveready and PowerCell, which are synonymous with portable energy and lighting. There was also synergy in these products with the existing distribution network of your Company.

At the point of entry to this diversification initiative, the leading products were Compact Fluorescent Lamps (CFL) and General Lighting Service (GLS). However, during the previous year, the category experienced a major shift towards the Light Emitting Diode (LED) bulbs which added a significant technology edge in comparison to the traditional CFL and GLS bulbs. Your Company became part of this technology change which significantly enhanced the product basket being offered by it. After gaining reasonable success with LED bulbs, it is now addressing a growth path in LED based Luminaires. Initial feedbacks are encouraging and it should be able to chart growth in this category too.

While your Company's distribution in general trade and modern retail provided a good platform to enter this category, expansion has been done to tap the exclusive electrical trade. Further expansion plans are being planned to tap electrical hubs for distribution of Luminaires. Your Company successfully serviced Energy Efficiency Services Ltd (EESL) tenders worth ₹ 46.50 Crores – for supply of LED bulbs and LED Tubelights as part of the scheme to light up consumer homes at affordable prices.

Your Company continued to invest significantly towards brand building in the category during the year with a view to enhance brand salience.

Net sales from this category for the current year stood at ₹ 299.17 Crores – and it is expected that this category will provide significant turnover growth in the years to come.

#### **Small Home Appliances**

Your Company continues to be committed to bringing new Products to its selling basket with a view to improving turnover and profitability. Towards this, your Company launched a range of ceiling fans and appliance products, namely, Mixer Grinders, Irons, Room Heaters, Juicer Mixer Grinders, Water Heaters, Induction Cookers, Sandwich Makers among many others. It has also launched a range of Air Purifiers to augment the portfolio.

Net sales from this category for the current year stood at ₹ 39.91 Crores and is expected to provide significant turnover growth in the years to come.

#### **Packet Tea**

The packet tea business continued with its steady performance through leveraging of the distribution network of the Company. Current share of the market stands at 1 – 5 per cent in the various markets of the country. Sales turnover for the current year stood at ₹ 68.73 Crores.

During the latter part of the year under review, your Directors had authorized initiation of a suitable re-organization of the packet tea operations in order to provide greater focus to this category. Your Directors have now decided that the Company would initiate discussions with McLeod Russel India Limited (McLeod) (the world's largest tea plantation Company in private sector), for participating in a joint venture as a strategic business partner for development of the packet tea business through a separate entity. It is envisaged that with this measure, the Company and McLeod will bring their respective skills of marketing & distribution and tea plantation knowledge to focus and develop the packet tea business to a much higher level and that this alliance will enable the Company to upscale its FMCG operation.

#### **Prospects**

The effect of demonetization impacted consumer demand, especially in the rural segment. However, various counter measures adopted by the Government to ease the money flow situation and steps taken to encourage non-cash transactions, restored normalcy to markets by the year-end. Thus the impact on your Company's turnover on this count, during the year, was a one-time occurrence.

Introduction of the Goods and Services Tax (GST) in the near future is expected to have a positive impact on the economy, thereby augmenting demand, which will be beneficial to your Company. Additionally, it is anticipated that the GST regime will bring in higher degree of tax compliance in the country. The battery and flashlight categories, bear the impact of non-compliance with tax laws by unorganized part of the market – either through undervalued dumped imports from China for batteries or gray market local operators in the flashlights market. It is expected that the GST regime will bring such elements into its net thereby eliminating the unfair gap in the pricing structure with tax compliant organizations. As a consequence, both batteries and flashlights should show reasonable growth in 2017-18. This, along with projections for a near-normal monsoon in the forthcoming season, should add fillip to the demand. Your Company is also confident that it will be able to capture growth in this market, riding on its obvious strengths of premium quality offering, brand and distribution. The outlook on battery and flashlight categories thus remains positive.

Prospects are promising in the Lighting & Electrical products category. This business has become a key focus area and an avenue for growth. As

mentioned before, the market is currently going through a demand shift from CFL to LED bulbs. The lower margin CFL bulbs now forms a small percentage of the category. LED bulbs and LED based Luminaires with higher margins now constitute more than 70% of the category turnover and these will be the growth drivers for the category and the overall business of your Company. This range of new generation lights have been very well accepted by the market and will enhance your Company's efforts towards a fruitful diversification. The outlook is thus upbeat - with potential for both growth and profitability.

Growth will also come from the newly launched product segment of appliances. Though at a nascent stage, initial market response and results have been encouraging.

#### **FINANCE**

Tight control was kept over the finances of your Company. Your Company could reduce its finance cost by 24% through judicious working capital management and operational efficiencies. Your Company remains focused to reduce its borrowings, which stood at ₹ 195.81 Crores at the end of the year.

Your Company met its financial commitments in servicing debt and repayment thereof in a timely manner. Capital expenditure program was fully met.

#### **MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments, affecting the financial position of the Company, between the end of the financial year of the Company i.e. March 31, 2017 to which the financial statements relate and the date of this Report.

#### **SUBSIDIARIES & CONSOLIDATED FINANCIAL STATEMENTS**

Your Company's subsidiary at Hong Kong, Everspark Hong Kong Private Limited registered a turnover of ₹ 46.66 Crores during the current year (₹ 39.43 Crores during FY 2015-16). However, it did not earn any profits during the year.

Another subsidiary, Greendale India Limited (formerly Litez India Ltd.) registered a turnover of ₹ 2.16 Crores during the current year (₹ 0.03 Crores during FY 2015-16). It earned a marginal profit of ₹ 0.02 Crores during the year.

A Statement in Form AOC-1 containing the salient features of the said Subsidiary Companies is attached to the Financial Statements in a separate section and forms part of this Report. The separate audited accounts of the said Subsidiary Companies are available on the website of the Company.

The Annual Report includes the audited Consolidated Financial Statements, prepared in compliance with the Companies Act, 2013 and the applicable Accounting Standards, of the applicable subsidiaries. The Consolidated Financial Statements shall be laid before the ensuing 82nd Annual General Meeting of the Company along with the laying of the Standalone Financial Statements of the Company.

#### **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 stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, forms part of this Report as Annexure 1.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The CSR Policy formulated by your Company is available on the website of the Company (<http://www.evereadyindia.com/investor-relations/pdf/csr-policy-14.pdf>). This policy, encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines

and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The Annual Report on CSR activities to be included in the Report, containing the composition of the CSR Committee, disclosure of the contents of the CSR Policy and the initiatives taken, as well as the expenditure on CSR activities, forms a part of this Report as Annexure 2.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134 of the Companies Act, 2013, the Directors state that :

1. in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards had been followed with no material departures;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the annual accounts on a going concern basis;
5. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DIRECTORS**

Mr. Brij Mohan Khaitan will retire by rotation at the forthcoming Annual General Meeting, and being eligible, offers himself for re-appointment.

Mr. Suvamoy Saha has been re-appointed as Wholetime Director for a further period of five years effective March 22, 2017, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

Mr. Amritanshu Khaitan has been re-appointed as Managing Director for a period of five years effective May 5, 2017, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

Mr. Ajay Kaul was appointed as Additional Director of the Company in the capacity of Independent Director and subject to the approval of the shareholders at the forthcoming Annual General Meeting, also as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years with effect from May 30, 2017.

Requisite notice in writing under Section 160 of the Act, along with the requisite deposit has been received for the appointment of Mr. Kaul. Necessary declaration from Mr. Kaul that he meets the criteria of independence as prescribed, has also been received.

On a Reference Application made by the Central Government to the Company Law Board (CLB) under Section 408 of the Companies Act, 1956, the CLB, by an order dated December 20, 2004 directed the Central Government to appoint three Directors on the Company's Board for three years. As the CLB's order suffers from various legal infirmities, the Company, based on legal advice, has challenged this order of the CLB before the Hon'ble High Court at Calcutta, which has, by an interim order, stayed the operation of the CLB's order. The stay is continuing.

### **DECLARATIONS BY INDEPENDENT DIRECTORS**

Necessary declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed, have been received.

### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters as required. The Remuneration Policy forms a part of this Report as Annexure 3.

### **BOARD EVALUATION**

The Nomination & Remuneration Committee of the Board of Directors had laid down the criteria for evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees. Annual Performance Evaluations as required, have been carried out. The statement indicating the manner in which formal annual evaluation of the Directors (including Independent Directors), the Board and Board level Committees is given in the Corporate Governance Report, which forms a part of this Annual Report.

### **MEETINGS**

The Board meets regularly to discuss and decide on various matters as required. Due to business exigencies, certain decisions are taken by the Board through circulation from time to time. During the year, five (5) Board Meetings were convened and held. Additionally, several committee meetings as well as Independent Directors' meeting(s) were also held. The details of the Meetings are given in the Corporate Governance Report which forms a part of this Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **COMMITTEES OF THE BOARD**

The details with respect to the compositions, powers, roles and terms of reference etc. of relevant Committees of the Board of Directors are also given in the Corporate Governance Report which forms part of this Annual Report. All recommendations made by the Audit Committee during the year were accepted by the Board.

### **EMPLOYEE RELATIONS**

One of your Company's key strengths is its people. Relations with employees remained cordial and satisfactory. Your Board would like to place on record its appreciation of employees for their contributions to the business.

Your Company believes in a system of Human Resource Management which rewards merit based performance and playing an active role in improving employee skills. Actions during the year under review were supportive of this policy.

The details of the ratio of the remuneration of each Director to the median employee's remuneration and other particulars and details of employees in terms of Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this Report as Annexure 4. The details of the employees' remuneration as required under the said Section and Rule 5(2) & 5(3) of the said Rules forms a part of this Report and are available at the Registered Office of the Company during working hours before the Annual General Meeting and shall be made available to any Member on request.

## STATUTORY AUDITORS

Messrs. Deloitte Haskins & Sells, Chartered Accountants, (Firm's Registration No. 302009E), who hold office as Auditors till the conclusion of the forthcoming Annual General Meeting have completed more than ten years as Auditors of the Company.

In accordance with the provisions of the Companies Act, 2013, requiring the mandatory rotation of Auditors, Messrs. Price Waterhouse & Co. Chartered Accountants LLP (Firm's Registration No. 304026E) have been appointed as Auditors for a period of five continuous years from the conclusion of the 82nd Annual General Meeting (AGM) till the conclusion of the 87th AGM of the Company. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

Your Directors place on record their appreciation for the services rendered by Deloitte during its long association with the Company.

## COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, your Directors, have appointed M/s. Mani & Co., Cost Accountants, Registration No. 00004, Ashoka, 111 Southern Avenue, Kolkata 700 029, (being eligible for the appointment), to audit the cost accounts of the Company for the financial year ending March 31, 2018. The remuneration payable to the Cost Auditors for the said year is being placed for ratification by the Members at the forthcoming Annual General Meeting.

## SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit of the Company for the financial year 2016-17 was conducted by M/s MKB & Associates, a firm of Company Secretaries in Practice. The Secretarial Audit Report forms a part of this Report as Annexure 5.

## AUDITORS' REPORT

There are no Audit Qualifications/Reservations/Adverse Remarks in the Statutory Auditors Report and in the Secretarial Audit Report as annexed elsewhere in this Annual Report.

## INTERNAL FINANCIAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of the business operations. The Statutory Auditors have also given an unmodified opinion on the internal financial controls on financial reporting in their Report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and forms a part of this Report.

## PARTICULARS OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS WITH RELATED PARTIES

Related party transactions entered into, during the year under review were on arm's length basis and in the ordinary course of business, for the operational and administrative benefits of the Company. There were no contracts/arrangements/transactions with related parties which could be considered as material and which may have a potential conflict with the interest of the

Company at large. Accordingly, no contracts/arrangements/transactions are being reported in Form AOC-2. Details on related party disclosures are further given in the Corporate Governance Report, which forms a part of this Report.

## RISK MANAGEMENT

Your Directors have approved various Risk Management Policies. All material risks faced by the Company are identified and assessed by the Risk Management Steering Committee. For each of the risks identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting the risks on a periodic basis.

## VIGIL MECHANISM

Your Directors have adopted a Vigil Mechanism/Whistle Blower Policy. The Policy has been posted on the website of the Company. None of the Company's personnel have been denied access to the Audit Committee.

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 forms a part of this Report as Annexure 6.

## OTHER DISCLOSURES

### During the year under review:

- There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
- There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There was no change in the share capital or the nature of business or the Key Managerial Personnel of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT ON CORPORATE GOVERNANCE

A Management Discussion and Analysis Report and a Report on Corporate Governance are presented in separate sections, forming part of the Annual Report.

## BUSINESS RESPONSIBILITY REPORT/DIVIDEND DISTRIBUTION POLICY

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective as well as the Dividend Distribution Policy are presented in separate sections, forming a part of the Annual Report.

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

## ANNEXURE 1

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

Information in accordance with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2017

**(A) CONSERVATION OF ENERGY-****i) Steps taken or impact on conservation of energy;**

Energy Conservation continued to be an area of priority. There has been a total savings on electricity units of 8.2 % over last year mainly on account of consolidation of both Battery and Zinc /Special Alloy Facility operations from a single unit at Kolkata. Additionally there has been a saving on diesel oil consumption in zinc furnace from 39 litres per metric tonne of zinc to 38 litres per metric tonne by developmental initiatives on the Zinc furnace at Maddur.

**(ii) Steps taken by the Company for utilising alternate sources of energy;**

The Company continued to harness non-conventional energy and 1.55 Million units of electricity was generated and consumed through windmills.

**(iii) Capital investment on energy conservation equipments;**

Total capital investment of ₹16 Crores to achieve energy conservation as given in point (i) and other savings in fixed expenses.

**(B) TECHNOLOGY ABSORPTION-****i) Efforts made towards technology absorption;**

- AA battery construction and its manufacturing process finalized for new Plant at Assam.
- Developed new separator paper suitable for high speed lines.
- AA Alkaline battery with improved performance developed for high drain application.
- Import substitutes of all metal and plastic components of AAA battery developed.
- Comprehensive Process Audits were regularly carried out in all manufacturing locations to ensure Process compliance to quality norms.

**(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;**

The potential benefits derived from R&D are stated below:

- Consistency and Quality Improvement of the product
- Cost effective alternate sources
- Reduction in manufacturing costs

**(iii) Information regarding imported technology (imported during the last three years)- NIL****(iv) Expenditure incurred on Research and Development:**

Particulars	₹ Crores	
	Year ended March 31, 2017	Year ended March 31, 2016
a. Capital	-	0.33
b. Recurring	4.47	4.05
<b>c. Total</b>	<b>4.47</b>	<b>4.38</b>
Total % of Turnover	0.33%	0.33%

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-**

Foreign Exchange earned and the Foreign Exchange Outgo:

Particulars	₹ Crores	
	Year ended March 31, 2017	Year ended March 31, 2016
Foreign Exchange Inflow	9.86	19.44
Foreign Exchange Outflow	219.28	204.56

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

## ANNEXURE 2

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

The Company's Corporate Social Responsibility (CSR) Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. In alignment with the vision of the Company, EIL, through its CSR initiatives, strives to create and enhance value in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth and development and welfare for the society and community at large, more specifically for the deprived and underprivileged persons.

The main objective of the Policy is to establish and lay down the basic principles and the general framework of action for the Company to undertake and fulfill its Corporate Social Responsibility. The Policy functions as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms. In brief, the Policy provides inter alia, the following:

- CSR Activities identified are related to the activities included in the Companies Act, 2013 (the Act) and the Companies (CSR Policy Rules) 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programmes or activities that benefit only the employees of the Company and their families.
- CSR Activities may be through a registered Trust or a registered society or a Company established under section 8 of the Act, subject to provisions in the Act and the CSR Rules.
- The Company may also collaborate with other Companies for undertaking projects or programmes for CSR activities in such manner as provided.



- d. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programmes relating to CSR activities but does not include any expenditure on an item not in conformity with the CSR Policy.
- e. CSR expenditure of at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of CSR Policy.
- f. CSR expenditure excludes any amount contributed, directly or indirectly to any political party u/s 182 of the Act.
- g. Any surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company.
- h. Monitoring and Feedback Process.

Being aware of its CSR, the Company continues to be associated with a unique sustainable initiative- "En-Light a Girl Child" with the objective of addressing two crucial issues, one of perennial darkness in the rural households and the other of Girl Child Empowerment. In addition, the Company has also undertaken further CSR activities for the purpose of eradication of hunger and poverty and promotion of education, special education for differently abled, promotion of sports and education for rural development, details of which are provided below.

The Policy is available on the Company's website at <http://www.evereadyindia.com/investor-relations/pdf/csr-policy-14.pdf>

**2. The Composition of the CSR Committee:**

As on March 31, 2017, the Corporate Social Responsibility (CSR) Committee of the Board comprises of Mr. Amritanshu Khaitan (Chairman), Mr. Suvamoy Saha and Mr. Subir Ranjan Dasgupta.

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

₹ 4,633.47 Lakhs

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

₹ 92.67 Lakhs

**5. Details of CSR spent during the financial year:**

- (a) Total amount to be spent for the financial year: Prescribed amount
- (b) Amount unspent, if any: Not Applicable
- (c) Manner in which the amount spent during the financial year is detailed below:

							₹ Lakhs
1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1)Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) projects or programmes wise	Amount spent on projects or programmes Sub heads:(1) Direct expenditure on projects or programmes.(2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Food for Hungry	Eradication of Hunger and Poverty	(1)Local Area, (2)West Bengal (Kolkata, South 24 Parganas, Hooghly, Howrah)	29.00	(1) 29.00	29.00	Direct and Implementing Agency*
2.	Enlight a Girl Child	Promotion of Education Promotion of gender equality & empowerment of women	(1)Other Area (2)Rajasthan (Bikaner, Barmer)	25.00	(1) 24.59	24.59	Direct and Implementing Agency*
3.	Skills, training and enhancement for development of youth	Promoting Sports – National & Olympic	(1)Local Area (2)West Bengal (Kolkata)	2.50	(1) 2.50	2.50	Direct and Implementing Agency*
4.	Special Education	Promoting Special Education especially among the differently abled	Contribution to Corpus of Trust based in Kolkata, West Bengal	20.00	(1) 20.00	20.00	Direct and Implementing Agency*
5.	Education for rural development	Promoting of Education & Rural Development	(1) Local Area (2) West Bengal (Siliguri, Dhulagarh) (1) Other Area (2) Pan India	17.50	(1) 17.23	17.23	Direct and Implementing Agency*
					(2) -		
<b>TOTAL</b>				<b>94.00</b>	<b>93.32</b>	<b>93.32</b>	

\*The Company's CSR projects and programmes are carried out both directly and also implemented through implementing agencies such as eminent NGOs and Trusts such as MCKS Food for Hungry Foundation, Soulace, Dyslexia Trust of Kolkata and Bharat Sevashram Sangha.

6. Reasons for failing to spend the two per cent of the average net profit of the last three financial years or any part thereof : Not Applicable.

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Amritanshu Khaitan**

Kolkata  
May 30, 2017

Managing Director  
Chairman-CSR Committee

## ANNEXURE 3

**REMUNERATION POLICY****1. Preamble**

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), the Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of Eveready Industries India Ltd. ("EIL"). The expression "senior management" means personnel of EIL who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads.

**2. Objectives**

The remuneration policy is framed inter alia, with the following objectives:

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talents of the quality required to run EIL successfully, in the interest of long term sustainability and create competitive advantage.
- That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- That the remuneration to Directors, KMP and SMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of EIL and its goals.
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in KMP and SMP positions and to evaluate the performance of Directors.
- To determine remuneration based on EIL's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.

**3. Principles of Remuneration**

EIL strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel in keeping with the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures.

Reference to external market norms may be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to EIL's remuneration practices at that time.

Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of EIL whilst complying with relevant legislation(s).

**4. Selection and Appointment of the Directors**

The qualifications and appointments shall be governed as per the provisions of the Companies Act, 2013 (the Act) and Rules thereof and the Listing Agreements as amended from time to time.

Directors should possess high personal and professional ethics, integrity and values and should be able to devote sufficient time and energy as is prudent and necessary in carrying out their duties and responsibilities effectively.

The Nomination & Remuneration Committee of the Board, ("the Committee") along with the Board, should consider positive attributes, independence, appropriate and diverse qualifications and skills, appropriate characteristics and experience, required of the Board as a whole and its individual members with the objective of having a Board with diverse background and experience in business, government, academics, technology, finance and in areas that are relevant for EIL's operations.

The Committee is also to identify suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board to evaluate the candidate(s) and decide on the selection of the appropriate member.

**5. Selection and Appointment of KMP and SMP**

EIL may conduct a wide-ranging search for candidates for the positions of KMP and SMP within EIL and on the human resources market.

The Committee to liaise with the relevant departments of EIL to study the requirement for management personnel, as may be required from time to time.

The qualifications of the candidates shall be examined on the basis of the conditions for appointment of KMP and SMP.

**6. Term/Tenure**

The Term/Tenure of the Directors shall be governed as per the provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

**7. Remuneration to the Managing Director and Whole time Directors (Executive Directors):**

The Executive Directors shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale, bonus, commission and quantum of perquisites including, housing, car, medicals, leave travel allowance, club fees, leave encashment, insurance, retiral benefits and other perquisites and allowances shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and/or Central Government, wherever required.

Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders.

If, in any financial year, EIL has no profits or its profits are inadequate, EIL shall pay remuneration to its Executive Directors in accordance with the provisions of the Act and/or with the approval of the Central Government as applicable and necessary.

**8. Remuneration to Non-Executive / Independent Directors:**

Sitting fees for attending meetings of Board or Committee may be paid as fixed by the Board on the recommendation of the Committee within the amounts as may be prescribed by the Central Government from time to time.

Commission may be paid within the monetary limit approved by shareholders, subject to the limits as per the applicable provisions of the Act.

An Independent Director shall not be entitled to any stock option of EIL.

**9. Remuneration to KMP, SMP and other employees**

The KMP, SMP and other employees of EIL shall be paid monthly remuneration as per EIL's HR policies and / or as may be approved by the Committee. The break-up of the pay scale, bonus and quantum of perquisites including, housing, car, medicals, leave travel allowance, club fees, leave encashment, insurance, retiral benefits and other perquisites and allowances etc. shall be as per EIL's HR policies.

In case any of the relevant regulations require that remuneration of KMPs

or any other officer is to be specifically approved by the Committee and / or the Board of Directors, then such approval will be accordingly procured.

#### 10. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board, removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

#### 11. Retirement

The Director, KMP and SMP shall retire as per the applicable provisions of the Act and the prevailing policy of EILL as applicable and prevalent. The Board will have the discretion to retain the Director, KMP, SMP in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of EILL.

#### 12. Approval and Disclosure

This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.

This policy shall be accordingly disclosed as part of the Board's Report.

#### 13. Amendment

The right to interpret /amend/modify this Policy vests in the Board of Directors of EILL.

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

## ANNEXURE 4

### REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 (the Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees and other details in terms of Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr	Requirements	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr Amritanshu Khaitan - Managing Director (MD) 77.33 : 1 Mr. Suvamoy Saha - Wholetime Director (WTD) 64.17 : 1 Mr. B. M. Khaitan - Non-Executive Director 0.50 : 1 Mr. A. Khaitan - Non-Executive Director 0.55 : 1 Mr. S. R. Dasgupta - Non-Executive Director 1.16 : 1 Mr. S. Sarkar - Non-Executive Director 0.55 : 1 Mr. S. Goenka - Non-Executive Director 0.33 : 1 Mrs. R. Nirula - Non-Executive Director 0.72 : 1 Remuneration of Non-Executive Directors constitutes of Sitting Fees received for attending Board/Committee Meetings for 2016-17
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	MD - 9.27%; WTD & CFO - 7.08% and CS -21.76%, Non-Executive Directors - NA No increase to Non-Executive Directors who have only received sitting fees for attending Board/Committee Meetings for 2016-17 and profit based commission for 2016-17 (2015-16 - Nil) - hence not applicable.
3.	The percentage increase in the median remuneration of employees in the financial year	9% (Calculation based on comparable employees eligible for increment)
4.	The number of permanent employees on the rolls of the Company	2866 employees as on March 31, 2017
5.	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	Average increase in employee remuneration (excluding managerial personnel – MD and WTD) for the year 2016-17 is 8%. Average increase in remuneration of the managerial personnel is 8.3%. The increase in remuneration of managerial personnel is based on their and Company's performance, as well as industry benchmarks.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, affirmed.

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

## ANNEXURE 5

**SECRETARIAL AUDIT REPORT****FORM NO. MR-3**

For the financial year ended March 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
**The Members,  
Eveready Industries India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Eveready Industries India Limited** (hereinafter called "the Company"). 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.

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

Based on our verification of the 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 secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 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 on March 31, 2017, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 & SEBI (Share Based Employee Benefits) Regulations, 2014;
  - e) SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - g) SEBI (Delisting of Equity Shares) Regulations, 2009;
  - h) SEBI (Buy Back of Securities) Regulations, 1998;

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing / trading companies, the following laws / acts are also, inter alia, applicable to the Company:

- a) Trade Marks Act, 1999
- b) The Legal Metrology Act, 2009
- c) The Food Safety & Standards Act, 2006

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the Board of Directors of the Company and the composition of the Board during the period under review is in compliance with the provisions of the Act.
- b) Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are no specific events/ actions which have any major bearing on the Company's affairs.

For MKB & Associates  
Company Secretaries

**Manoj Kumar Banthia**

Partner

ACS No. 11470

COP No. 7596

Kolkata  
May 30, 2017

To  
**The Members**  
**Eveready Industries India Ltd.**

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 those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules, regulations, guidelines and directions and happening events, etc.
5. 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 MKB & Associates  
Company Secretaries

**Manoj Kumar Banthia**

Partner

ACS No. 11470

COP No. 7596

Kolkata  
May 30, 2017

**ANNEXURE 6**

**FORM NO. MGT- 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

i) CIN	: L31402WB1934PLC007993
ii) Registration Date	: June 20, 1934
iii) Name of the Company	: Eveready Industries India Ltd.
iv) Category/Sub-category of the Company	: Public Limited having Share Capital
v) Address of the Registered office and contact details	: 1 Middleton Street, Kolkata 700 071 Phone No. (033) 2288-3950, Fax No. (033) 2288-4059, E-mail: investorrelation@eveready.co.in
vi) Whether listed Company	: Yes, Listed on BSE, NSE and CSE
vii) Name, Address & Contact details of the Registrar & Transfer Agent, if any	: Maheshwari Datamatics Private Limited, Regd. Office - 6, Mangoe Lane, Kolkata – 700 001 Corp. Office – 23, R.N. Mukherjee Road, Kolkata – 700 001 Phone No. (033) 2248-2248, 2243-5029 Fax No. (033) 2248-4787, E-mail: mdpldc@yahoo.com

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

The Company is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products and small home appliances which come under a single business segment known as Consumer Goods.

Sl. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company
1.	Dry Cell Batteries	27201	54.59%
2.	Flashlights (Torches)	27400	13.59%
3.	Lighting and Electricals	27400	22.08%

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Everspark Hong Kong Private Limited	1402757	Subsidiary	100%	2(87)
2.	Litez India Limited*	U74999WB2011PLC162493	Subsidiary	99.60%	2(87)

\* Name changed to Greendale India Limited (CIN: U15100WB2011PLC162493) effective from May 15, 2017

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

#### (i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year [As on April 1, 2016]				No. of shares held at the end of the year [As on March 31, 2017]				% change during the Year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	8,28,458		8,28,458	1.14	8,53,458		8,53,458	1.17	3.02
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.*	3,11,62,537		3,11,62,537	42.87	3,11,62,537		3,11,62,537	42.88	0.00
e) Banks/Fl									
f) Any other									
<b>Sub-Total (A)(1)</b>	<b>3,19,90,995</b>		<b>3,19,90,995</b>	<b>44.01</b>	<b>3,20,15,995</b>		<b>3,20,15,995</b>	<b>44.05</b>	<b>0.08</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/Fl									
e) Any other									
<b>Sub-Total (A)(2)</b>									
<b>TOTAL SHAREHOLDING OF PROMOTER* (A)=(A)(1)+(A)(2)</b>	<b>3,19,90,995</b>		<b>3,19,90,995</b>	<b>44.01</b>	<b>3,20,15,995</b>		<b>3,20,15,995</b>	<b>44.05</b>	<b>0.08</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	41,14,459	442	41,14,901	5.66	64,89,563	442	64,90,005	8.93	57.72
b) Banks/Fl	1,18,888	32,412	1,51,300	0.21	55,193	32,412	87,605	0.12	(42.10)
c) Central Govt.		277	277	0.00		277	277		0.00
d) State Govt.(s)									
e) Venture Capital Funds									
f) Insurance Companies	17,75,175		17,75,175	2.44	17,50,175		17,50,175	2.40	(1.41)
g) FIs/FPIs	1,66,44,328		1,66,44,328	22.90	1,70,41,472		1,70,41,472	23.45	(2.39)
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds				0.00	1,52,000		1,52,000	0.21	100.00
<b>Sub-Total(B)(1)</b>	<b>2,26,52,850</b>	<b>33,131</b>	<b>2,26,85,981</b>	<b>31.21</b>	<b>2,54,88,403</b>	<b>33,131</b>	<b>2,55,21,534</b>	<b>35.11</b>	<b>12.50</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	37,68,996	67,120	38,36,116	5.28	40,51,498	66,154	41,17,652	5.66	7.34
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	84,28,942	15,21,995	99,50,937	13.69	74,18,845	14,92,035	89,10,880	12.26	(10.45)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	31,62,812	42,426	32,05,238	4.41	11,81,390	42,426	12,23,816	1.68	(61.82)
c) Others (Specify)									
Non Resident Indians	5,34,625	1,26,716	6,61,341	0.91	4,63,019	1,23,540	5,86,559	0.81	(11.31)
Foreign Nationals					3,626		3,626	0.01	100.00
Clearing Members	2,13,920		2,13,920	0.29	1,76,240		1,76,240	0.24	(17.61)
Trusts	17,833	4	17,837	0.02	8,038		8,038	0.01	(54.94)
NBFCs registered with RBI	1,24,895		1,24,895	0.17	1,22,920		1,22,920	0.17	(1.58)
<b>Sub-Total(B)(2)</b>	<b>1,62,52,023</b>	<b>17,58,261</b>	<b>1,80,10,284</b>	<b>24.78</b>	<b>1,34,25,576</b>	<b>17,24,155</b>	<b>1,51,49,731</b>	<b>20.84</b>	<b>(15.88)</b>
<b>TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)</b>	<b>3,89,04,873</b>	<b>17,91,392</b>	<b>4,06,96,265</b>	<b>55.99</b>	<b>3,89,13,979</b>	<b>17,57,286</b>	<b>4,06,71,265</b>	<b>55.95</b>	<b>(0.06)</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>									
<b>GRAND TOTAL (A+B+C)</b>	<b>7,08,95,868</b>	<b>17,91,392</b>	<b>7,26,87,260</b>	<b>100.00</b>	<b>7,09,29,974</b>	<b>17,57,286</b>	<b>7,26,87,260</b>	<b>100.00</b>	<b>0.00</b>

\*Refer Note on Page 29

**ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the Year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Williamson Magor & Co. Limited	1,70,07,841	23.40	33.51	1,70,07,841	23.40	33.51	0.00
2.	Williamson Financial Services Limited	63,70,988	8.76	0.00	63,70,988	8.76	21.31	0.00
3.	Bishnauth Investments Limited	41,48,246	5.71	60.27	41,48,246	5.71	60.27	0.00
4.	McLeod Russel India Limited	16,63,289	2.29	0.00	16,63,289	2.29	0.00	0.00
5.	Babcock Borsig Limited	9,87,484	1.36	0.00	9,87,484	1.36	99.24	0.00
6.	Estate of Deepak Khaitan	3,19,300	0.44	0.00	-	0.00	0.00	(100.00)
7.	Bennett, Coleman And Company Limited*	3,07,400	0.42	0.00	3,07,400	0.42	0.00	0.00
8.	Kilburn Engineering Limited	2,71,337	0.37	0.00	2,71,337	0.37	0.00	0.00
9.	Aditya Khaitan	2,32,266	0.32	0.00	2,32,266	0.32	0.00	0.00
10.	Ichamati Investments Ltd.	1,71,113	0.24	0.00	1,71,113	0.24	0.00	0.00
11.	Amritanshu Khaitan	1,45,000	0.20	0.00	1,65,000	0.23	0.00	13.79
12.	United Machine Co. Ltd.	1,16,443	0.16	0.00	1,16,443	0.16	0.00	0.00
13.	Zen Industrial Services Limited	85,366	0.12	0.00	85,366	0.12	0.00	0.00
14.	Estate of Deepak Khaitan	43,200	0.06	0.00	43,200	0.06	0.00	0.00
15.	Brij Mohan Khaitan	35,897	0.05	0.00	35,897	0.05	0.00	0.00
16.	Yashodhara Khaitan	33,095	0.05	0.00	1,92,745	0.27	0.00	482.40
17.	Nitya Holdings & Properties Ltd.	30,000	0.04	0.00	30,000	0.04	0.00	0.00
18.	Isha Khaitan	17,500	0.02	0.00	17,500	0.02	0.00	0.00
19.	Dufflaghur Investments Limited	3,030	0.00	0.00	3,030	0.00	0.00	0.00
20.	Kavita Khaitan	2,200	0.00	0.00	2,200	0.00	0.00	0.00
21.	Vanya Khaitan	-	0.00	0.00	1,64,650	0.23	0.00	100.00
<b>TOTAL</b>		<b>3,19,90,995</b>	<b>44.01</b>	<b>25.63</b>	<b>3,20,15,995</b>	<b>44.05</b>	<b>32.91</b>	<b>0.08</b>

\*Refer Note on Page 29

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

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Williamson Magor & Co. Limited				
	At the beginning of the year	1,70,07,841	23.40	1,70,07,841	23.40
	At the end of the year (No Change)			1,70,07,841	23.40
2.	Williamson Financial Services Limited				
	At the beginning of the year	63,70,988	8.76	63,70,988	8.76
	At the end of the year (No Change)			63,70,988	8.76
3.	Bishnauth Investments Limited				
	At the beginning of the year	41,48,246	5.71	41,48,246	5.71
	At the end of the year (No Change)			41,48,246	5.71
4.	McLeod Russel India Limited				
	At the beginning of the year	16,63,289	2.29	16,63,289	2.29
	At the end of the year (No Change)			16,63,289	2.29
5.	Babcock Borsig Limited				
	At the beginning of the year	9,87,484	1.36	9,87,484	1.36
	At the end of the year (No Change)			9,87,484	1.36
6.	Estate of Deepak Khaitan				
	At the beginning of the year	3,19,300	0.44	3,19,300	0.44
	As on 04/11/2016 - Transfer /Transmission			3,19,300	0.44
	At the end of the year			0.00	0.00
7.	Bennett, Coleman and Company Limited*				
	At the beginning of the year	3,07,400	0.42	3,07,400	0.42
	At the end of the year (No Change)			3,07,400	0.42

SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8.	Kilburn Engineering Limited				
	At the beginning of the year	2,71,337	0.37	2,71,337	0.37
	At the end of the year (No Change)			2,71,337	0.37
9.	Aditya Khaitan				
	At the beginning of the year	2,32,266	0.32	2,32,266	0.32
	At the end of the year (No Change)			2,32,266	0.32
10.	Ichamati Investments Ltd				
	At the beginning of the year	1,71,113	0.24	1,71,113	0.24
	At the end of the year (No Change)			1,71,113	0.24
11.	Amritanshu Khaitan				
	At the beginning of the year	1,45,000	0.20	1,45,000	0.20
	As on 06/01/2017 - Transfer			1,65,000	0.23
	At the end of the year			1,65,000	0.23
12.	United Machine Co. Ltd.				
	At the beginning of the year	1,16,443	0.16	1,16,443	0.16
	At the end of the year (No Change)			1,16,443	0.16
13.	Zen Industrial Services Limited				
	At the beginning of the year	85,366	0.12	85,366	0.12
	At the end of the year (No Change)			85,366	0.12
14.	Estate of Deepak Khaitan				
	At the beginning of the year	43,200	0.06	43,200	0.06
	At the end of the year (No Change)			43,200	0.06
15.	Brij Mohan Khaitan				
	At the beginning of the year	35,897	0.05	35,897	0.05
	At the end of the year (No Change)			35,897	0.06
16.	Yashodhara Khaitan				
	At the beginning of the year	33,095	0.05	33,095	0.05
	As on 04/11/2016 - Transfer/Transmission			1,92,745	0.27
	At the end of the year			1,92,745	0.27
17.	Nitya Holdings & Properties Ltd.				
	At the beginning of the year	30,000	0.04	30,000	0.04
	At the end of the year (No Change)			30,000	0.04
18.	Isha Khaitan				
	At the beginning of the year	17,500	0.02	17,500	0.02
	At the end of the year (No Change)			17,500	0.02
19.	Dufflaghur Investments Limited				
	At the beginning of the year	3,030	0.00	3,030	0.00
	At the end of the year (No Change)			3,030	0.00
20.	Kavita Khaitan				
	At the beginning of the year	2,200	0.00	2,200	0.00
	At the end of the year (No Change)			2,200	0.00
21.	Vanya Khaitan				
	At the beginning of the year	-	-	-	-
	As on 04/11/2016 - Transfer/Transmission			1,64,650	0.23
	At the end of the year			1,64,650	0.23

\*Bennett, Coleman and Company Ltd. (BCCL) has vide their letter dated December 28, 2015, requested the Company to reclassify their shareholding of 3,07,400 equity shares aggregating to 0.42% of the paid up capital of the Company, from the Promoter and Promoter Group of the Company and to include the same in the 'Public' shareholding. Accordingly, the Company has vide its Board Resolution passed by Circulation dated December 30, 2015 agreed to reclassify the said shareholding of BCCL in the Company. The Company has vide their letter dated December 30, 2015 submitted the said letter of BCCL to BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited ("Stock Exchanges") and requested the Stock Exchanges to take on record the said reclassification as required under Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In furtherance to the abovementioned letter, the Company had filed an Application for Reclassification on August 9, 2016 before all the Stock Exchanges. The Company has received approval letter for reclassification of the said shares from BSE Limited vide its letter dated August 19, 2016 and is awaiting for the approval of National stock Exchange Limited and the Calcutta Stock Exchange Limited.



**iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No.	Name	Shareholding at the beginning of the year		Cumulative shareholding during the year		SI No.	Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Nomura India Investment Fund Mother Fund										
	At the beginning of the year	12,00,000	1.65	12,00,000	1.65						
	13/05/2016 - Transfer			14,59,585	2.01				6,85,394		0.94
	20/05/2016 - Transfer			17,59,585	2.42				8,52,893		1.17
	24/06/2016 - Transfer			17,84,585	2.46				9,01,400		1.24
	12/08/2016 - Transfer			26,84,585	3.69				10,16,154		1.40
	At the end of the year			26,84,585	3.69				10,54,023		1.45
2.	Citibank N.A.								10,70,454		1.47
	At the beginning of the year	0	0.00	0	0.00				10,70,454		1.47
	15/04/2016 - Transfer			4,818	0.01	8.	Franklin Templeton Investment Funds				
	22/04/2016 - Transfer			0	0.00		At the beginning of the year	0	0.00	0	0.00
	06/05/2016 - Transfer			3,044	0.00		26/08/2016 - Transfer			11,61,350	1.60
	13/05/2016 - Transfer			56,595	0.08		02/09/2016 - Transfer			11,62,650	1.60
	20/05/2016 - Transfer			0	0.00		09/09/2016 - Transfer			15,33,296	2.11
	29/07/2016 - Transfer			5,420	0.01		07/10/2016 - Transfer			21,57,739	2.97
	05/08/2016 - Transfer			0	0.00		21/10/2016 - Transfer			23,29,153	3.20
	26/08/2016 - Transfer			1,030	0.00		At the end of the year			23,29,153	3.20
	02/09/2016 - Transfer			5,420	0.01	9.	The Nomura Trust and Banking Co., Ltd as The Trustee of Nomura India Stock Mother				
	09/09/2016 - Transfer			0	0.00		At the beginning of the year	8,73,303	1.20	8,73,303	1.20
	14/10/2016 - Transfer			12,805	0.02		At the end of the year			8,73,303	1.20
	21/10/2016 - Transfer			9,347	0.01	10.	Amundi Funds Equity India				
	28/10/2016 - Transfer			6,283	0.01		At the beginning of the year	10,42,236	1.43	10,42,236	1.43
	04/11/2016 - Transfer			2,757	0.00		08/04/2016 - Transfer			10,00,000	1.38
	11/11/2016 - Transfer			3,207	0.00		15/07/2016 - Transfer			12,00,000	1.65
	18/11/2016 - Transfer			42,997	0.06		At the end of the year			12,00,000	1.65
	25/11/2016 - Transfer			0	0.00	11.	Tasha Investment Advisors Private Limited				
	16/12/2016 - Transfer			4,10,962	0.57		At the beginning of the year	10,28,746	1.42	10,28,746	1.42
	23/12/2016 - Transfer			726	0.00		13/05/2016 - Transfer			10,28,154	1.41
	30/12/2016 - Transfer			30,889	0.04		15/07/2016 - Transfer			2,158	0.00
	06/01/2017 - Transfer			0	0.00		16/09/2016 - Transfer			0	0.00
	10/03/2017 - Transfer			588	0.00		At the end of the year			0	0.00
	17/03/2017 - Transfer			1,337	0.00	12.	Goldman Sachs India Fund Limited				
	24/03/2017 - Transfer			8,00,568	1.10		At the beginning of the year	36,13,062	4.97	36,13,062	4.97
	31/03/2017 - Transfer			8,00,568	1.10		13/05/2016 - Transfer			33,40,524	4.60
	At the end of the year			0	0.00		20/05/2016 - Transfer			30,27,104	4.16
3.	General Insurance Corporation of India						27/05/2016 - Transfer			21,27,104	2.93
	At the beginning of the year	6,25,000	0.86	6,25,000	0.86		03/06/2016 - Transfer			16,27,104	2.24
	23/09/2016 - Transfer			6,15,000	0.85		12/08/2016 - Transfer			0	0.00
	30/09/2016 - Transfer			6,00,000	0.83		At the end of the year			0	0.00
	At the end of the year			6,00,000	0.83	13.	Morgan Stanley Mauritius Company Limited				
4.	Life Insurance Corporation of India						At the beginning of the year	0	0.00	0	0.00
	At the beginning of the year	6,94,816	0.96	6,94,816	0.96		12/08/2016 - Transfer			4,328	0.01
	At the end of the year			6,94,816	0.96		18/11/2016 - Transfer			6,070	0.01
5.	DSP Blackrock Micro Cap Fund						30/12/2016 - Transfer			7,756	0.01
	At the beginning of the year	29,39,579	4.04	29,39,579	4.04		06/01/2017 - Transfer			8,064	0.01
	08/04/2016 - Transfer			34,36,017	4.73		13/01/2017 - Transfer			8,861	0.01
	07/10/2016 - Transfer			39,16,017	5.39		20/01/2017 - Transfer			9,145	0.01
	25/11/2016 - Transfer			41,04,284	5.65		27/01/2017 - Transfer			8,946	0.01
	06/01/2017 - Transfer			42,19,916	5.81		03/02/2017 - Transfer			9,769	0.01
	31/03/2017 - Transfer			45,04,916	6.20		10/02/2017 - Transfer			7,396	0.01
	At the end of the year			45,04,916	6.20		03/03/2017 - Transfer			10,290	0.01
6.	Canara Robeco Mutual Fund A/C Canara Robeco Balance						10/03/2017 - Transfer			15,935	0.02
	At the beginning of the year	7,63,178	1.05	7,63,178	1.05		17/03/2017 - Transfer			21,689	0.03
	22/04/2016 - Transfer			8,18,178	1.13		24/03/2017 - Transfer			31,513	0.04
	06/05/2016 - Transfer			8,48,178	1.17		31/03/2017 - Transfer			7,53,352	1.04
	07/10/2016 - Transfer			661	0.00		At the end of the year			7,84,865	1.08
	At the end of the year			661	0.00	14.	Malabar India Fund Limited				
7.	Franklin Templeton Mutual Fund A/C Templeton India Growth Fund						At the beginning of the year	9,25,050	1.27	9,25,050	1.27
	At the beginning of the year	0	0.00	0	0.00		07/10/2016 - Transfer			9,46,860	1.30
							11/11/2016 - Transfer			9,47,832	1.30

SI No.	Name	Shareholding at the beginning of the year		Cumulative shareholding during the year		SI No.	Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	18/11/2016 - Transfer			9,73,097	1.34						
	25/11/2016 - Transfer			13,14,703	1.81						
	02/12/2016 - Transfer			13,25,050	1.82						
	30/12/2016 - Transfer			15,25,050	2.10						
	At the end of the year			15,25,050	2.10						
15.	Citigroup Global Markets Mauritius Private Limited										
	At the beginning of the year	16,72,935	2.30	6,72,935	2.30						
	13/05/2016 - Transfer			12,57,678	1.73						
	10/06/2016 - Transfer			10,57,678	1.46						
	17/06/2016 - Transfer			7,57,678	1.04						
	08/07/2016 - Transfer			7,27,452	1.00						
	29/07/2016 - Transfer			7,22,032	0.99						
	05/08/2016 - Transfer			7,11,803	0.98						
	02/09/2016 - Transfer			5,87,905	0.81						
	25/11/2016 - Transfer			7,905	0.74						
	16/12/2016 - Transfer			1,27,112	0.17						
	30/12/2016 - Transfer			0	0.00						
	At the end of the year			0	0.00						
	16. Amansa Holdings Private Limited										
	At the beginning of the year			42,72,985	5.88			42,72,985	5.88		
	15/04/2016 - Transfer							42,76,591	5.88		
	29/04/2016 - Transfer							47,76,591	6.57		
	30/12/2016 - Transfer							48,41,207	6.66		
	24/03/2017 - Transfer							40,31,191	5.55		
	At the end of the year							40,31,191	5.55		
	17. Tasha Investment Advisors LLP										
	At the beginning of the year			0	0.00			0	0.00		
	15/07/2016 - Transfer							10,25,000	1.41		
	12/08/2016 - Transfer							7,99,072	1.10		
	19/08/2016 - Transfer							7,76,702	1.07		
	26/08/2016 - Transfer							68,937	0.09		
	02/09/2016 - Transfer							0	0.00		
	At the end of the year							0	0.00		

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

SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Brij Mohan Khaitan				
	At the beginning of the year	35,897	0.05	35,897	0.05
	At the end of the year			35,897	0.05
2.	Aditya Khaitan				
	At the beginning of the year	2,32,266	0.32	2,32,266	0.32
	At the end of the year			2,32,266	0.32
3.	Amritanshu Khaitan				
	At the beginning of the year	1,45,000	0.20	1,45,000	0.20
	06/01/2017 - Transfer			1,65,000	0.23
	At the end of the year			1,65,000	0.23
4.	Subir Ranjan Dasgupta				
	At the beginning of the year	40,000	0.06	40,000	0.06
	08/04/2016 - Transfer			33,000	0.05
	22/04/2016 - Transfer			27,600	0.04
	At the end of the year			27,600	0.04
5.	Tehnaz Punwani				
	At the beginning of the year	1,500	0.00	1,500	0.00
	10/02/2017 - Transfer			1,000	0.00
	31-03-2017 - Transfer			500	0.00
	At the end of the year			500	0.00

#### V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
₹ Lakhs				
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,503.51	700.00	-	12,203.51
ii) Interest due but not paid				
iii) Interest accrued but not due	33.33	5.77	-	39.10
<b>Total (i + ii + iii)</b>	<b>11,536.84</b>	<b>705.77</b>	<b>-</b>	<b>12,242.61</b>
Change in Indebtedness during the financial year				
• Addition	6,750.00	5,000.00	-	11,750.00
• Reduction	5,927.99	5,700.00	-	11,627.99
Net Change	12,358.85	5.77	-	12,364.62
Indebtedness at the end of the financial year				
i) Principal Amount	12,367.65	-	-	12,367.65
ii) Interest due but not paid				
iii) Interest accrued but not due	76.20	-	-	76.20
<b>Total (i + ii + iii)</b>	<b>12,443.85</b>	<b>-</b>	<b>-</b>	<b>12,443.85</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		A. Khaitan	S. Saha	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	277.80	230.18	507.98
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	37.10	34.08	71.18
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	- as % of profit			
	- others, specify...			
5.	Others, please specify			
	<b>Total (A)</b>	<b>314.90</b>	<b>264.26</b>	<b>579.16</b>
	Ceiling as per the Act	5%	5%	10%

### B. Remuneration to other Directors

Sl.No.	Particulars of Remuneration	Name of Directors				Total Amount
		S. R. Dasgupta	S. Goenka	S. Sarkar	R. Nirula	
1.	Independent Directors					
	• Fee for attending board committee meetings	3.20	0.20	1.40	1.60	6.40
	• Commission	1.00	1.00	1.00	1.00	4.00
	• Others, please specify					
	<b>TOTAL (1)</b>	<b>4.20</b>	<b>1.20</b>	<b>2.40</b>	<b>2.60</b>	<b>10.40</b>
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings			1.00	1.00	2.00
	• Commission			1.00	1.00	2.00
	• Others, please specify					
	<b>TOTAL (2)</b>			<b>2.00</b>	<b>2.00</b>	<b>4.00</b>
	<b>TOTAL (B)=(1+2)</b>					<b>14.40</b>
	<b>Total Managerial Remuneration (A+B)</b>					<b>593.56</b>
	Overall Ceiling as per the Act					11%

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO*	Company Secretary	CFO*	
1.	Gross salary	-	-	-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	48.16	-	48.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	8.46	-	8.46
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>TOTAL</b>	<b>-</b>	<b>56.62</b>	<b>-</b>	<b>56.62</b>

\*MD remuneration given in VI A above. WTD is the CFO also – remuneration given in VI A above.

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

There were no penalties, punishment or compounding of offenses for the year ended March 31, 2017.

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS

## INDIAN ECONOMIC OVERVIEW

The world economy has not yet emerged from the period of slow growth, characterized by weak investment, dwindling trade and flagging productivity growth. Yet, amidst that backdrop, the economy treaded along at a growth rate of 7.2% during the first half of the current fiscal, until the Government announced the radical measure of demonetization. The impact of the measure resulted in a sharp slow-down in the economy, especially during the last quarter of the year at 6.1%. Rural income was particularly affected by the demonetization measure as a result of which demand slowed down. Low demand restricted inflation and fiscal deficit showed marked improvement.

The impact of demonetization may be felt for a few quarters and over the medium term, benefits of this measure may start trickling in as alternative methods of transactions become more prevalent, cash shortages are somewhat replenished and more and more people come inside the tax net. The country also continues to face the challenges of global down turn as recovery is yet to gather speed. Many sectoral deficiencies are still weighing heavily on the overall economy. Despite obvious advantages such as a large consuming young population, relatively lower dependence on exports, lower inflation, overall economic parameters still needs improvement.

Although overall sentiments are yet to gather momentum, it appears that conditions do exist for Indian economy to achieve high growth rates. India continues to stand on the anvil of becoming a 'middle income' economy. Its people will continue to experience higher income levels - and a large percentage of its absolute poor will get lifted out of the abyss of poverty. This transition will certainly ignite consumerism. The consumer goods sector in which the Company operates in will be able to derive full advantage from this trend.

## CONSUMER GOODS INDUSTRY IN INDIA

India has been traditionally a consumption-driven economy. Broadly categorized into urban and rural markets, the Indian consumer segment is attracting increasing attention from marketeers across the globe.

The growing purchasing power and the rising influence of the social media have made the Indian consumer to adopt a more aspirational lifestyle. India could become the world's largest middle class consumer market with total consumer spends of nearly US \$13 trillion by the year 2030 (Source - Report titled 'India Matters: Winning in growth markets' by Deloitte). This sector has grown at an annual average of 11% over the last decade and is anticipated to expand at a CAGR of around 15%. Online retailing is expected to be a ₹1150 billion (US\$ 17.5 billion) industry by end of 2018 and is growing at an impressive rate of 15% (Source: ASSOCHAM – Resurgent India study). Research from A.C.Nielsen has projected that rural India's FMCG market will surpass US\$ 100 billion by the year 2025.

The introduction of the path-breaking tax reform, the Goods and Services Tax (GST) is expected to bring down cascading effect of taxes, thereby reducing prices of various essential commodities. The economy will finally turn around -may be sooner than what is indicated by the current data. All these factors, coupled with the fundamental strength of the economy will accelerate consumption to its potential in both rural and urban markets. Hence the outlook for this sector appears quite robust over the coming years.

## THE BUSINESS

Eveready Industries India Limited (EIL) is one of India's leading consumer goods Companies, with its products and brands being household names over the past century. Over the decades, it has been the leader in the dry cell batteries and flashlights markets in the second most populous country in the world.

The Company's contemporary product portfolio in the domestic market comprises the following:

- Dry cell and rechargeable batteries under the brand names 'Eveready', 'PowerCell' and 'Uniross'.
- Flashlights and lanterns under the brand names 'Eveready' and 'PowerCell'.
- LED bulbs and luminaires under the brand names 'Eveready' and 'PowerCell'.
- Devices like mobile power banks, rechargeable fans and radio under the 'Eveready' brand.
- Small Home Appliances under the 'Eveready' brand.
- Packet tea under the brand names 'Tez', 'Jaago' and 'Premium Gold'.

The Company is the largest player in India with regard to dry batteries and flashlights having a market share exceeding 50% in both categories. Its competencies in these product categories are equal to the best in the world. The Company continues to leverage its wide distribution network with a range of product offerings in branded tea, lighting and electrical segments.

The Company believes that the Eveready brand is a natural fit to the lighting and electrical category. EIL, thus, plans to persist in its efforts to be a significant player in these product segments. Towards this objective, additional efforts are being put to align distribution to the needs of this trade.

The platform of the Company today is to provide portable power and lighting - and the products as mentioned above are aligned to that platform.

The Company has also just forayed into the Small Home Appliance segment to leverage its brand and distribution network. Work for setting up a dedicated network for Appliance distribution is under way. This category having a low level of penetration, highly fragmented segmentation coupled with a large size offers a good potential for the Company to augment its turnover substantially in the coming periods. Though at a nascent stage, initial market response and results have been encouraging.

The Company has been in the packet tea business historically. Although its share of the packet tea market is limited, the product has traditionally played an important role to sustain distribution in certain areas. However, to provide greater focus to this category, it has now been decided that the Company will initiate discussions for reorganization of the operations to develop the category to a much higher level.

This makes for a robust product portfolio. EIL expects to strengthen its presence across these products through increasing value and volumes in the future.

## BATTERIES

### Industry size and structure

The Indian market for dry cell batteries is now estimated to be worth over ₹ 1,600 crores by value and 2.7 billion pieces by volume. The battery market has few players, out of which EIL has a market share of 50% between its Eveready and PowerCell brands.

The battery category was adversely impacted due to lower consumer off-take and de-stocking in trade channels, post demonetization, announced by the Government during the latter part of the year. The market also continued to be disturbed by poor quality products imported from China at dumped prices. As a result, the category volume and value both remained flat during the year.

The market segment pattern underwent changes during the recent past as consumers shifted from the more expensive 'D' size batteries to 'AA' sized ones. The shares of the principal battery categories for the last three years are as per the table below:

#### Percentage of Market

Battery category	%*		
	2016-17	2015-16	2014-15
D	11.7	13.5	15.4
C	0.2	0.2	0.2
AA	71.7	72.4	72.3
AAA	16.4	13.9	12.1
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\*Data only related to EILL

The above is quite similar to the pattern seen globally.

The split of technology within the dry batteries market remained constant with the zinc carbon battery segment virtually dominating the entire market with 97% share. The alkaline battery segment has minimal share of the market at less than 2%. The rechargeable battery segment, which accounts for the balance 1% market share, has remained stagnant, despite having a loyal customer base.

The consumption of batteries is driven by growth in the off-take of its applications. A growing need for portable power and the advent of a number of battery-operated gadgets like remotes, toys, clocks and torches have catalyzed consumption. Since these gadgets are used on an everyday basis, batteries have enjoyed a non-cyclical demand.

#### Performance review

During 2016-17, the category turnover was at ₹ 749.28 crores, 1.4% lower over the previous year. Volumes remained flat as the category was adversely impacted by lower consumer off-take and de-stocking in trade channels, post demonetization. While AA volumes remained flat, AAA registered growth. EILL's market share was at 50% and the product mix also remained quite similar to that of the market.

#### Marketing and distribution

The Company continued to emphasize on strengthening its distribution network. Out of the total FMCG universe of about 8.5 million outlets, penetration of batteries stocking universe stood at 53%. Eveready batteries were stocked in 70% of such outlets, higher than any other battery brand by a wide margin.

The Company's brand campaign continued to add positive qualities to its brand value. EILL will persist with these efforts to further strengthen its brand salience.

#### Opportunities and threats

India has a low per capita consumption across a number of product groups, batteries included, indicating an inherent potential for growth. Since dry cell batteries represent the cheapest source of portable power, consumption is expected to increase over time. Besides, growing income levels, changing lifestyles and an increased need for convenience have resulted in proliferation of gadgets run by batteries. These include remote controls, torches, toys, cameras, FM radio sets and portable music systems, among others.

Batteries do not face any serious threat because these are items of recurring use, providing portable energy at an affordable cost. EILL has an inherent advantage over competition due to its enduring brand equity, tangible quality and ease of availability due to its widespread distribution network.

Cheap imports continue to be a threat as with the withdrawal of antidumping duty, there has been a steady flow of these imports. However, the introduction of the Goods and Services Tax (GST) in the near future will bring in higher degree of tax compliance in the country. Other measures have also been taken to arrest this phenomenon.

Alkaline batteries, although popular in the West, do not as yet comprise a serious alternative to carbon zinc batteries. This is due to the price-sensitive nature of the Indian consumer. That has led to a mere 2% market share for such batteries, despite them being present for over 15 years. In any case, EILL does have a presence in this segment and will be able to participate if the market provides any indication of an opportunity.

Given the overall positive scenario, a tangible threat to battery consumption lies in lower usage of battery consuming equipment.

#### Risks and concerns

The upward volatility of the rupee and commodity prices would put pressure on operating margins which would need to be passed on to the market. These represent areas of concern.

#### FLASHLIGHTS

The flashlight market is shaped by EILL because of its dominant market share position at about 70% of the organized segment. At the same time, there is also a vast unorganized segment that is estimated to be almost equivalent to the size of the organized one. Taking that into account, EILL has a market share of around 35%.

#### Performance review

During 2016-17, the category turnover was at ₹ 196.73 crores, representing a de-growth of 4.8% over the previous year. This was despite a volume growth of 4.1%, as the category was able to overcome the adverse impact of demonetization. However, due to proliferation of cheap flashlights of poor quality by the unorganized and gray market players, price rationalization had to be taken which led to reduction in turnover. The category however continued to be profitable.

#### Opportunities and threats

A vast dormant population of non-users represents a large opportunity for the flashlights market. This will continue to be tapped by EILL in the years to come.

The urban areas, where flashlights are seldom owned, comprise another specific area of opportunity. Vast sections of urban areas now face periodic power cuts and flashlights provide a viable alternative solution during those times.

The category however, faces a continued threat in the form of gray market operations launching lookalike models, usually without payment of taxes and duties. The only way to overcome this problem is to continue launching new and innovative models. Furthermore, the introduction of GST, as mentioned earlier, will bring many of the gray market operators within the tax net, thereby eliminating the unfair gap in the pricing structure with tax compliant organizations.

#### Risks and concerns

As already mentioned, there is a vast potential of tapping in to convert users to non-users. The risk is that such first time users can take to the gray market lookalike products owing to the cheaper prices. That will result in organized

players losing out on this growth opportunity. This problem needs to be tackled through appropriate product offerings and innovative marketing initiatives.

### LIGHTING AND ELECTRICAL PRODUCTS

As mentioned earlier, the brand Eveready is a natural fit to the lighting and electrical category. The Company's distribution network in general trade and modern retail has also provided a good platform to enter this category. Further expansion has been made to tap the exclusive electrical trade. The market is currently going through a demand shift from CFL to LED bulbs. The lower margin CFL bulbs now forms a small percentage of the category. LED bulbs and LED based Luminaires with higher margins now constitute more than 70% of the category turnover. In order to make a meaningful range offering to the market, more products are being added to the portfolio. These include professional luminaires like streetlights, floodlights, downlights, spotlights and panels apart from the existing portfolio of LED bulbs, luminaires and electrical appliances.

#### Performance review

During 2016-17, the category turnover was at ₹ 299.17 crores, representing a growth of 8.2% over the previous year. The low growth in turnover was primarily due to the demand shift from CFL bulbs to the LED based lights, as mentioned earlier. While CFL turnover de-grew by nearly 53%, LED lights turnover grew by 83% over the previous year. Furthermore, market prices of LED based lights got rationalized as demand for the same grew. The Company successfully serviced Energy Efficiency Services Ltd (EESL) tenders worth ₹ 46.50 Crores – for supply of LED bulbs and LED Tubelights as part of the scheme to light up consumer homes at affordable prices. The category is expected to grow strongly in the coming years with expansion of distribution and product range.

#### Opportunities and threats

In an emerging economy like India, the volume of lighting products will continue to have high growth, due to increased housing and commercial development. Newer lighting technologies mainly LED bulbs and LED based luminaires will become more popular as these will be more environmentally-friendly and also provide higher value to consumers over time. The Government of India's countrywide campaign of providing LED bulbs and LED based luminaires at affordable prices will add fillip to the category. EIL will have to be a part of all such technology changes. This provides a good opportunity for the Company to entrench itself in the category given its brand fit and distribution network. EIL will however continue to be present in all other ranges in the category to cater to all kinds of consumer needs.

The category however faces the threat of fragmented competition, dynamic market prices and low entry barriers. The Company will have to continue its focus on maintaining its brand salience alongwith enhanced distribution to reach the desired scale.

#### Risks and concerns

The only foreseeable risk in this category seems to be the ability to cope up with the dynamics of an evolving market and get the first mover advantage. This needs to be tackled through a range of quality product offerings at competitive prices.

### SMALL HOME APPLIANCES

The Company has just forayed into this segment by leveraging on its brand image and is in process of creating a pan-India distribution network through appliance selling outlets. It also plans to leverage its presence in all modern format stores and E-commerce platforms.

#### Performance review

Net sales from this category for the current year stood at ₹ 39.91 Crores and is expected to provide significant turnover growth in the years to come.

### Opportunities and threats

This category having a low level of penetration, highly fragmented segmentation coupled with a large size offers a good potential for the Company to augment its turnover substantially in the coming periods. The category however faces the risks of having similar products of competition across the range.

### PACKET TEA

EIL has been leveraging its distribution network to market packet tea and derive additional revenues at virtually no extra costs. The Company has not really invested any money in advertising for the brands Tez, Jaago, and Premium Gold that are targeted at different consumer segments. Though these brands have gradually been increasingly accepted due to their superior quality, which has been a hallmark of EIL's packet tea branding strategy, the Company's share of the packet tea market remains limited. Therefore, to bring in more focus to the category, it has now been decided that the Company will initiate discussion with McLeod Russel India Ltd (McLeod) for participating in a joint venture as a strategic business partner, through a separate entity. It is envisaged that EIL and McLeod will bring their respective skills of marketing & distribution and tea plantation knowledge to focus and develop the category to a much higher level.

#### Performance review

During 2016-17, the category turnover was at ₹ 68.73 crores, representing a de-growth of 4.8% over the previous year. Efforts were concentrated to scale up turnover in a few focused markets through extensive branding strategies and enhanced distribution drive.

#### Opportunities and threats

With loose tea prices remaining firm over the last few years, the threats from unorganized players remain limited because of their limited pricing power. The proposed joint venture with McLeod is envisaged to provide an opportunity for the category to expand.

#### Risks and concerns

The risk associated with the category is one of low growth which limits the ability of this business to become very profitable. Also, should loose tea prices fall, it will further impact the profitability adversely. The problem needs to be tackled through a mix of branding efforts, good blends and competitive pricing to catch on to the consumer taste. The proposed joint venture is envisaged to provide an opportunity for the category to overcome these risks.

### INFORMATION TECHNOLOGY

EIL has traditionally invested in Information Technology (IT) to provide effective business solutions amenable to informed decision making.

The overall IT environment continues to be steady. The processes are sound and are well internalized within the organization.

### INTERNAL CONTROL AND SYSTEMS

The Company has adequate internal control procedures commensurate with its size and nature of business. Their objective is to ensure efficient usage and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and procedures.

The existing system provides for structured work instructions and clearly laid-down procedures for authorization and approval for the purchase and sale of goods and services. It also provides for reserved responsibility of custodial control with identified personnel, and use of computerized systems to ensure controls at source.

The Company has a full-fledged in-house Internal Audit Department manned by trained professionals. The pre-audit and post-audit checks and reviews are carried out to ensure follow up on the observations made by the Audit teams. The Audit Committee of the Board, in its periodic meetings, reviews the Internal Audit reports, the progress in implementation of their recommendations and the adequacy of internal control systems.

The Company has a well-documented Risk Management System, which is reviewed by an active Steering Committee appointed by the Board of Directors. The risk registrar does identify a few risks, which are routine in nature and none of which present any significant impact. There is a mitigation system in place which addresses these risks as part of the routine management process.

### **HUMAN RESOURCES**

People power is one of the pillars of success at EIL. The Company employs nearly 2900 individuals across its various plants and branch locations, who share a passion for excellence. The key attributes of human capital at EIL are a rich knowledge base, expertise and experience.

The employee-management relations remained cordial throughout 2016-17. The human resource management system at EIL puts emphasis on rewarding merit-based performance and raising the skill level of employees.

### **OUTLOOK**

The effect of demonetization impacted consumer demand, especially in the rural segment. However, various counter measures adopted by the Government to ease the money flow situation and steps taken to encourage non-cash transactions, restored normalcy to markets by the year-end. Thus the impact on the Company's turnover on this count during the year was a one-time occurrence.

Introduction of the Goods and Services Tax (GST) in the near future is expected to have a positive impact on the economy, thereby augmenting demand, which will be beneficial to EIL. Additionally, it is anticipated that the GST regime will bring in higher degree of tax compliance in the country. The battery and flashlight

categories, bear the impact of non-compliance with tax laws by unorganized part of the market – either through undervalued dumped imports from China for batteries or gray market local operators in the flashlights market. It is expected that the GST regime will bring such elements into its net thereby eliminating the unfair gap in the pricing structure with tax compliant organizations. As a consequence both batteries and flashlights should show reasonable growth in 2017-18. This, alongwith projections for a near-normal monsoon in the forthcoming season, should add fillip to the demand. The Company is also confident that it will be able to capture growth in this market, riding on its obvious strengths of premium quality offering, brand and distribution. The outlook on battery and flashlight categories thus remains positive.

Prospects are promising in the Lighting & Electrical products category. This business has become a key focus area and an avenue for growth. As mentioned earlier, the market is currently going through a demand shift from CFL to LED bulbs. The lower margin CFL bulbs now forms a small percentage of the category. LED bulbs and LED based Luminaires with higher margins now constitute more than 70% of the category turnover and these will be the growth drivers for the category and the overall business of the Company. This range of new generation lights have been very well accepted by the market and will enhance the Company's efforts towards a fruitful diversification. The outlook is thus upbeat - with potential for both growth and profitability.

Growth will also come from the newly launched product segment of appliances. Though at a nascent stage, initial market response and results have been encouraging.

### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

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## **The Board of Directors Eveready Industries India Ltd**

Dear Sirs,

### **CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY**

This is to state that all the Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for Directors and Senior Management Personnel, respectively in respect of the financial year ended March 31, 2017.

Kolkata  
May 30, 2017

**Amritanshu Khaitan**  
Managing Director

## REPORT ON CORPORATE GOVERNANCE

Your Company's Annual Report on Corporate Governance for the year ended March 31, 2017, is given as below:

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good corporate governance consists of a combination of business practices which result in enhancement of the value of the Company to the shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, vendors, employees and financiers and to the society in general. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavors to uphold and nurture these core values in all aspects of its operations.

### BOARD OF DIRECTORS

#### Composition and Category of the Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with one woman Director. The Chairman of the Board of Directors is a Non-Executive Director and as at March 31, 2017, the Company has 8 Directors out of which 4 are Non-Independent Directors and 4, comprising of one half of the Board strength, are Independent Directors. The necessary disclosures regarding other Directorships and committee memberships have been made by all the Directors.

The details of the composition of the Board of Directors together with the number of other Directorships/Committee Memberships held by the Directors as on the said date is as follows:

Sl. No.	Directors	Category	No. of Directorships held (excluding) *	Committee Memberships# (excluding)*	
				As Chairman/Chairperson	As Member
1.	Mr. B. M. Khaitan (DIN : 00023771)	Non-Executive Chairman	5	-	1
2.	Mr. A. Khaitan (DIN : 00023788)	Non-Executive Vice Chairman	7	1	2
3.	Mr. Amritanshu Khaitan (DIN : 00213413)	Managing Director	9	-	-
4.	Mr. S. Saha (DIN : 00112375)	Whole time Director	4	-	-
5.	Mr. S. Goenka (DIN : 00074796)	Independent Director	6	2	1
6.	Mr. S.R. Dasgupta (DIN : 01401511)	Independent Director	1	-	1
7.	Mr. S. Sarkar (DIN : 00048279)	Independent Director	4	1	3
8.	Mrs. R. Nirula (DIN : 00015330)	Independent Director	9	4	6

\*Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

# Only two committees viz. the Audit Committee and the Stakeholders Relationship Committee are considered for this purpose.

None of the Directors held Directorship in more than 10 Public Limited Companies and/or were members of more than 10 committees or acted as Chairperson of more than 5 committees across all Public Limited Companies in which they were Directors.

None of the Independent Directors served as Independent Director in more than 7 listed Companies.

The Executive Directors were not Independent Directors of any other listed Company.

#### Number of Meetings held and Attendance of Directors during Financial Year 2016-17

The Board of Directors have met 5 times in the financial year 2016-17. The gap between two meetings is within 120 days. The attendance of the Directors at the Board Meetings and the Annual General Meeting of the Company is given as below:

	Dates of Board Meetings					Date of AGM
	06.05.16	25.07.16	09.11.16	27.01.17	20.02.17	25.07.16
Mr. B. M. Khaitan	P	P	P	P	P	A
Mr. A. Khaitan	P	P	P	P	A	P
Mr. Amritanshu Khaitan	P	P	P	P	P	P
Mr. S. Saha	P	P	P	P	P	P
Mr. S. Goenka	A	A	P	A	A	A
Mr. S. R. Dasgupta	P	P	P	P	P	P
Mr. S. Sarkar	A	P	A	P	A	P
Mrs. R. Nirula	P	P	P	P	A	P

P - Attended A - Leave of absence granted



### Changes in the composition of the Board of Directors since last report

Mr. Ajay Kaul (DIN: 00062135) was appointed as Additional Director in the capacity of Independent Director effective May 30, 2017 subject to approval of the members at the forthcoming Annual General Meeting of the Company.

### Disclosure of Relationship between Directors inter se

As at March 31, 2017, no Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013 except Mr. B.M. Khaitan and Mr. A. Khaitan, who are father and son.

### Number of shares held by Non- Executive Directors

The number of shares held by the Non-Executive Directors as on 31.03.2017:

Name of Director	Number of Shares Held as on 31.03.17
Mr. B.M. Khaitan	35,897
Mr. A. Khaitan	2,32,266
Mr. S.R.Dasgupta	27,600
Mr. S. Goenka	Nil
Mr. S.Sarkar	Nil
Mrs. R. Nirula	Nil
<b>TOTAL :</b>	<b>2,95,763</b>

### Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management personnel of the Company and the same is available on the Company's website. A declaration from the Managing Director, that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2017 forms part of the Annual Report. The duties of the Independent Directors as laid down in the Companies Act, 2013 has been suitably incorporated in the Code of Conduct, as necessary.

### Information to Board

Necessary information as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) including, inter alia, quarterly statutory compliance reports, updates, annual budgets, as and when applicable, are placed before the Board for its review and consideration.

### Risk Management

The Company has laid down adequate procedures to inform the Board about the risk assessment and risk minimization procedures. The Company through its Board of Directors has constituted a Risk Management Steering Committee for the purpose of monitoring and reviewing of the risk management plans periodically.

### CEO/CFO Certificate

The aforesaid certificate duly signed by the Managing Director and Whole time Director & CFO in respect of the financial year ended March 31, 2017 has been placed before the Board.

### Independent Directors

The tenure of Independent Directors is in accordance with the Companies Act, 2013.

None of the Independent Directors has any material pecuniary relationships or transactions with the Company, its Promoters, Directors, associates, which in their judgment would affect their independence.

The Independent Directors are apprised at the Board Meetings and Committee Meetings on the Company operations, market shares, governance, internal control process and other relevant matters inclusive of presentations and

programmes with regard to strategy, operations and functions of the Company including important developments in various business divisions and new initiatives undertaken by the Company. The familiarization programme for Independent Directors is available on the Company's website ([http://www.evereadyindia.com/investorrelation/company\\_policies/..aspx](http://www.evereadyindia.com/investorrelation/company_policies/..aspx)).

The Independent Directors of the Company held separate informal meeting on 06.05.2016 without the attendance of non-independent Directors and managerial personnel for the purposes, inter alia, as required by Regulation 25 (4) of the Listing Regulations.

### AUDIT COMMITTEE

The Board has constituted a qualified and independent Audit Committee. All the members of the Committee are financially literate and at least one member possesses accounting and financial management expertise.

The Audit Committee is empowered to inter alia, investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

### Terms of Reference

The terms of reference of the Audit Committee is in line with the regulatory requirements and, inter alia are as follows:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with the management the annual financial statements and auditor's report before submission to the Board, focusing primarily on :-
  - Matters required to be included in the Directors' Responsibility Statement, as required for the Report of the Board of Directors
  - Any changes in accounting policies and practices
  - Major accounting entries based on exercise of judgment by management.
  - Significant adjustments arising out of audit
  - Compliance with listing and legal requirements concerning financial statements
  - Disclosure of any related party transactions
  - Modified opinion(s) in the draft audit report
- Reviewing with the management, the quarterly financial statements before submission to the Board
- Reviewing and monitoring the end use of funds raised through public offers and related matters
- Reviewing and monitoring auditors' independence and performance and the effectiveness of the audit process
- Approving or subsequently modifying transactions of the Company with related parties
- Scrutinizing inter-corporate loans and investments
- Valuation of undertakings/assets where necessary
- Evaluating internal financial controls and risk management systems
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors any significant findings and follow up thereon
- Reviewing the findings of any internal investigations by the internal

auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

- Discussion with external auditors before the audit commences on nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Overseeing/Reviewing the Vigil (Whistle Blower) Mechanism
- Approval of the appointment of CFO
- Reviewing the management discussion and analysis of financial condition and results of operations
- Reviewing the management letters/letters of internal control weaknesses, if any
- Reviewing with the management the statement of utilization/application of funds raised through issues
- Reviewing the internal audit reports relating to internal control weaknesses
- Recommending appointment, removal and terms of remuneration of Internal Auditor
- Reviewing statement of deviations, if any

#### Composition

As on March 31, 2017, the Audit Committee comprised of 3 Directors, Mr. S. R. Dasgupta, an Independent Director, as the Chairman, Mr. S. Sarkar and Mrs. R. Nirula, all Independent Directors as Members.

The Chairman of the Audit Committee was present at the 81st Annual General Meeting of the Company.

Mrs. T Punwani, Vice President-Legal and Company Secretary acts as the Secretary of the Audit Committee.

#### Meetings & Attendance

During the year ended March 31, 2017, 4 Meetings of the Audit Committee were held, with the requisite quorum being present, the dates being 06.05.2016, 25.07.2016, 09.11.2016 & 27.01.2017. The intervening gap between the Meetings was within the period prescribed of 120 days.

The attendance of the members of the Audit Committee was as follows:

Members	No. of Meetings attended
Mr. S. R. Dasgupta	4
Mr. S. Sarkar	2
Mrs. R. Nirula	4

The Statutory Auditors/Cost Auditor, Internal Auditor and Director in charge of Finance are the Invitees as and when felt necessary.

### NOMINATION & REMUNERATION COMMITTEE

#### Terms of Reference

The terms of reference of the Nomination & Remuneration Committee, are as follows:

- To form criteria for qualifications/independence etc. of Directors
- To identify persons for Directorships & senior management positions and recommend their appointments/removals
- To recommend Policy for remuneration to Directors/KMP and other employees
- To form criteria for evaluation of Directors
- To devise policy of Board Diversity
- To extend or continue the term of appointment of the Independent Director,

on the basis of the report of performance evaluation of the Independent Directors

#### Composition

As on March 31, 2017, the Nomination & Remuneration Committee comprised of 3 Directors, Mr. S. Sarkar, an Independent Director, as the Chairman, Mr. S. R. Dasgupta, Independent Director and Mr. Aditya Khaitan, Non- Executive Director, as Members.

#### Meetings and Attendance

During the year ended March 31, 2017, 3 Meetings of the Nomination & Remuneration Committee were held on 19.04.2016, 25.07.2016 and 27.01.2017.

The attendance of the members of the Nomination & Remuneration Committee was as follows:

Members	No. of Meetings attended
Mr. S. Sarkar	3
Mr. S. R. Dasgupta	3
Mr. S. Goenka **	-
Mr. Aditya Khaitan	1

\*\*Mr. S. Goenka, Independent Director, stepped down as Member of the Nomination & Remuneration Committee effective December 29, 2016 and Mr. Aditya Khaitan was inducted as a Member of the Committee as on the same date.

### BOARD EVALUATION

The process for Board Evaluation is inclusive of the following:

- The Board evaluates the performance of the Independent Directors excluding the Director being evaluated
- The Nomination & Remuneration Committee evaluates the performance of each Director
- The Independent Directors evaluate the performance of the Non-Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole
- Performances of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated

The criteria for performance evaluation, inter alia, includes:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

## REMUNERATION OF DIRECTORS

The Non-Executive Directors have no material pecuniary relationships or transactions with the Company in their personal capacity.

The Non- Executive Directors are paid Sitting Fees for the Board Meetings and Committee Meetings as recommended by the Board. The fees or compensation/ commission if any paid to the Non-Executive Directors is within the limits prescribed under the Companies Act, 2013 and does not require any further approvals.

The details of remuneration paid to Non-Executive Directors including Independent Directors for the year ended March 31, 2017 are as under:

Name of Director	Sitting Fees paid for Board Meetings (₹)	Sitting Fees paid for Committee Meetings (₹)	Commission (₹)
Mr. B.M. Khaitan	1,00,000	Nil	1,00,000
Mr. A. Khaitan	80,000	20,000	1,00,000
Mr. S.R.Dasgupta	1,00,000	2,20,000	1,00,000
Mr. S. Goenka	20,000	NA	1,00,000
Mr. S.Sarkar	40,000	1,00,000	1,00,000
Mrs. R. Nirula	80,000	80,000	1,00,000
<b>TOTAL :</b>	<b>4,20,000</b>	<b>4,20,000</b>	<b>6,00,000</b>

Effective April 1, 2017, Sitting Fees payable to Non-Executive Director for Board Meeting attended has been enhanced from ₹ 20,000 to ₹ 50,000.

The details of Remuneration paid to Executive Directors for the year ended March 31, 2017 are as under (Note below):

Name of Director	Salary (₹)	Value of Perquisite & Allowance (₹)	Contribution to Retiral Funds (₹) #	Tenure as per service contract	Notice Period
Mr. S. Saha	1,05,32,258	1,30,49,829	28,43,710	21.03.2022	1 month
Mr. Amritanshu Khaitan	1,28,00,000	1,52,34,025	34,56,000	04.05.2022	3 months

# Excluding contribution to Gratuity Fund

The Company does not have any Employee Stock Option Scheme

## STAKEHOLDERS RELATIONSHIP COMMITTEE

As on March 31, 2017, the Committee comprised of Mr. S. R. Dasgupta, Independent Director as Chairman and Mr. S. Saha, Whole time Director, as Members.

The terms of reference of the Committee are to look into redressal of investors' complaints including those relating to transfer of shares/debentures, issue of dividend warrants, repayment of non-receipt of dividend warrants and notices/annual reports and other investor grievances.

During the year ended March 31, 2017, 2 meetings of the Committee were held on 06.05.2016 and 06.01.2017.

The attendance of the members was as follows:-

Member	No. of Meeting attended
Mr. S .R. Dasgupta	2
Mr. S. Saha	2

Mrs. T Punwani, Vice President - Legal & Company Secretary is the 'Compliance Officer' of the Company under Regulation 6 of the Listing Regulation and other SEBI Regulations/ Certificates.

Shareholders' Complaints and Redressal as on March 31, 2017:

Type of Grievances and Category	Dividend Warrant not received	Shares not Dematerialised	Non-Receipt of Share	Annual Report not received	Total
Complaints received during the year	6	Nil	3	1	10
Complaints Attended to/ Redressed	6	Nil	3	1	10

Number of pending Share Transfers: Nil

The Board has delegated the power of share transfer to a Committee. The Committee attends to share transfer formalities weekly/fortnightly.

## GENERAL BODY MEETINGS

Details of Annual General Meetings (AGMs)

AGMs	Date of AGMs	Location	Time	Special Resolutions passed
AGM (81st)	25.07.2016	Rotary Sadan, 94/2, Chowringhee Road, Kolkata- 700020	3.00 p.m	Yes
AGM (80th)	21.08.2015	Rotary Sadan, 94/2, Chowringhee Road, Kolkata- 700020	11.00 a.m	Yes
AGM (79th)	25.07.2014	Rotary Sadan, 94/2, Chowringhee Road, Kolkata- 700020	11.00 a.m	Yes

There were no Special Resolutions which were put through postal ballot, last year.

In the Notice of the forthcoming 82nd Annual General Meeting there are no items of business (Special Resolutions) which require to be conducted through postal ballot.

## MEANS OF COMMUNICATION

### Financial Results

Quarterly, half-yearly and annual results in the forms prescribed under Regulation 33 and Regulation 47 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 are published in prominent dailies such as Economic Times/ Business Standard/ Financial Express/Mint (English) and Aajkaal (Bengali) newspapers and also displayed on the Company's website [www.evereadyindia.com](http://www.evereadyindia.com).

### Other Information

General Information on the Company, official news releases and presentations to analysts and institutional investors are also posted on the Company's website.

## GENERAL SHAREHOLDERS' INFORMATION

### Annual General Meeting :

Date	Time	Venue
August 7, 2017	11.00 a.m.	Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700020

### Financial Calendar (tentative) for the year 2017-2018

Publication of Unaudited results for the quarter ending June 2017	July/August 2017
Publication of Unaudited results for the half-year ending September 2017	October/November 2017
Publication of Unaudited results for the quarter ending December 2017	January/February 2018
Publication of Audited results for the year ending March 2017	April/May 2018
Annual General Meeting for the year ending March 2018	July to September 2018

### Dates of book closure

The Register of Members of the Company will remain closed from August 1, 2017 to August 7, 2017 (both days inclusive) for the purpose of the Annual General Meeting of the Company.

## Listing on Stock Exchanges

The shares of the Company can be traded on all the recognised Stock Exchanges in India. The shares of the Company are listed at the following Stock Exchanges:

The Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata 700 001

BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051

## Listing Fees

The Annual Listing Fees for 2017-2018 have been paid to all the three Stock Exchanges within the scheduled dates.

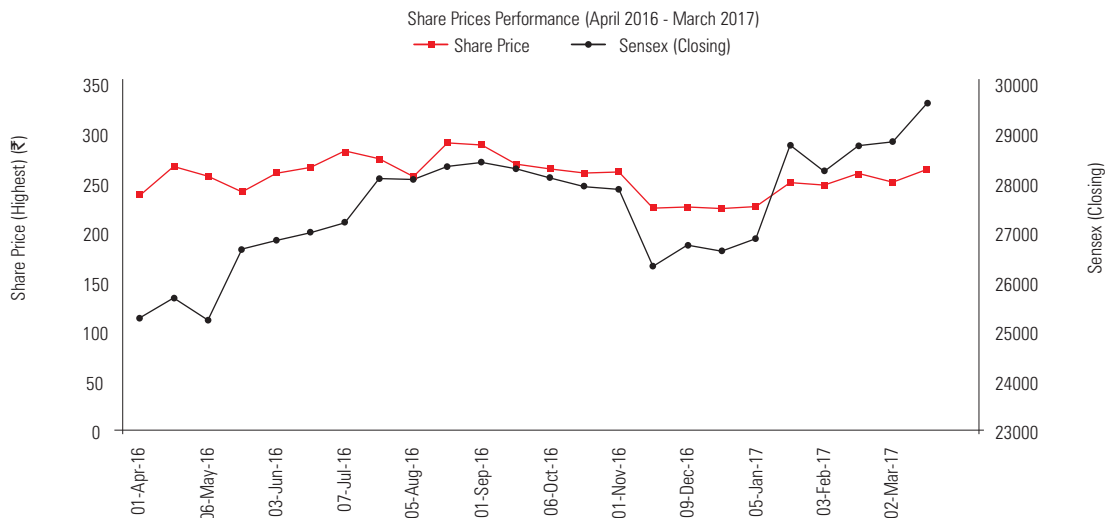
## Stock Code

The Calcutta Stock Exchange Limited	000029
BSE Limited	531508
National Stock Exchange of India Ltd	EVEREADY

## Stock Market Price Data:

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
<b>2016</b>				
April	273.85	218.75	273.55	217.00
May	257.05	230.80	257.00	230.00
June	266.00	235.65	267.00	235.50
July	283.00	248.00	283.25	246.00
August	291.00	240.00	291.00	240.15
September	288.95	246.55	287.90	243.75
October	264.45	240.15	265.40	240.20
November	261.30	211.90	260.50	211.00
December	225.65	190.00	229.00	199.55
<b>2017</b>				
January	250.50	211.90	260.00	210.60
February	259.95	239.60	263.80	240.00
March	264.00	228.00	265.05	227.30

**Performance in comparison with BSE Sensex** (Share Prices as on BSE)



**Distribution of Shareholding as on March 31, 2017:**

According to category of Holding

Category	No of Shares held	Percentage of Shareholding
A. Promoter & Promoter Group*	3,20,15,995	44.05
<b>Sub Total</b>	<b>3,20,15,995</b>	<b>44.05</b>
B. Public		
1. Institutional Investors		
a. FII's/FPIs	1,71,97,098	23.66
b. Mutual Funds/UTI	64,90,005	8.93
c. Banks/ FI's/ Insurance Companies	18,37,780	2.53
d. Central Government	277	0.00
2. Others		
a. Indian Public	1,01,34,696	13.94
b. Private Corporate bodies	42,40,572	5.83
c. NRI's/ OCB's/Trusts/ Clearing Member/Foreign National	7,70,837	1.06
<b>Sub Total</b>	<b>4,06,71,265</b>	<b>55.95</b>
<b>GRAND TOTAL</b>	<b>7,26,87,260</b>	<b>100.00</b>

\*Refer Note on Page 29

According to number of Ordinary Shares held:

	No of Shareholders	% of Shareholders	No of Ordinary Shares held	% of Shareholding
1 to 50	23,666	47.21	4,36,731	0.60
51 to 100	10,901	21.74	9,22,535	1.27
101 to 150	3,752	7.48	4,89,503	0.67
151 to 250	4,294	8.57	8,67,224	1.19
251 to 500	4,151	8.28	15,66,102	2.16
501 to 5000	3,022	6.03	40,79,945	5.61
5001 and above	347	0.69	6,43,25,220	88.50

**Registrar and Transfer Agents**

Pursuant to Regulation 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has appointed the following SEBI registered Agency as the Common Registrar & Share Transfer Agent of the Company for both the Physical and Dematerialised segment with effect from November 1, 2003 :-

Maheshwari Datamatics Private Limited,  
Regd. Office - 6, Mangoe Lane, Kolkata – 700 001  
Corp. Office - 23, R. N. Mukherjee Road, Kolkata – 700 001  
Phone No. (033) 2248 2248, 2243 5029  
Fax No. (033) 2248 4787

**Share Transfer System for Physical Shares:**

The Directors' Share & Debenture Transfer Committee of the Company generally meets weekly/fortnightly for approving share transfers and for other related activities. The average time taken for processing of Share transfers including despatch of share certificate is about 15 days. The time taken to process dematerialisation requests is about 12 to 15 days.

**Dematerialisation of shareholding and liquidity:**

The Company has entered into Agreement with both the Depositories registered under the Depositories Act, 1996, i.e. National Securities Depository Ltd. (NSDL), A Wing, 4th Floor, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 and Central Depository Services (India) Ltd. (CDSL), Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai – 400 001 to facilitate holding and trading in shares of the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996.

Scraps of the Company have been mandated by SEBI for settlement only in dematerialised form by all investors effective March 21, 2000. Mention may be made that 97.58% of the total shares of the Company has since been dematerialised.

ISIN No. for the Company's ordinary shares in Demat Form : INE 128A01029

**Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: NIL****Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company manages commodity-pricing risk for zinc by entering into financial instrument contracts, longer dated purchase contracts, or commodity indexed sales contracts in terms of zinc risk management policy of the Company.

The Company is also exposed to foreign currency risk for the raw materials and stock in trade that it imports and finished goods that it exports and engages in foreign currency hedging with banks by way of currency forward contracts in order to decrease its foreign exchange exposure arising from its foreign-currency denominated purchases and sales in terms of the foreign exchange risk management policy of the Company.

**Plant Location:**

- 1 P-4, Transport Depot Road, Kolkata – 700 088
- 2 1075, Tiruvottiyur High Road, Chennai – 600 019
- 3 B-1 & B-2 Sector - 80, Phase II, Noida, Gautam Budh Nagar, U.P. – 201 305
- 4 Plot No. 6, Sector 12, IIE SIDCUL, Haridwar – 249 403
- 5 7/1A, KIADB Industrial Area, Somanahalli, Dist. Mandya, Maddur – 571 428, Karnataka
- 6 Mill Road, Aishbag, Lucknow – 226 004
- 7 IGC, Matia, Dist. Goalpara, Assam 738 125

**Whom and where to contact for Share and related services:**

Any assistance regarding share transfers and transmissions, change of address, non-receipt of dividends, duplicate/missing Share Certificates, demat and other matters and for redressal of all share-related complaints and grievances please write to or contact the Registrar & Share Transfer Agent or the Share Department of the Company at the addresses given below:

Maheshwari Datamatics Private Ltd.,  
Corp. Office : 23, R. N. Mukherjee Road, Kolkata –700 001  
Phone No.: (033) 2248 2248, 2243 5029  
Fax No.: (033) 2248 4787  
E-mail: mdpldc@yahoo.com

Share Department – Eveready Industries India Ltd

1, Middleton Street, Kolkata – 700 071

Phone No.: (033) 2288 3950, 2288 2147 Fax No.: (033) 22884059

E-mail: investorrelation@eveready.co.in

**Details of Directors proposed to be appointed/re-appointed**

The details pertaining to the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting of the Company is given in the Notice of the AGM.

**Demat / Unclaimed Suspense Account:**

Three reminder letters have been sent to the Members concerned and the matter is in process.

**OTHER DISCLOSURES**

The Company did not have any significant related party transactions, which may have potential conflict with the interest of the Company. The Board has approved a policy on dealing with related party transactions and the same has been uploaded and available on the Company's website (<http://www.evereadyindia.com/investor-relations/pdf/rpt-policy1.pdf>). Related party transactions have been disclosed as per Ind AS 24 under Note 32.7 to the Accounts for the year under review. A Statement in summary form of transactions with related parties in the ordinary course of business are placed periodically before the Audit Committee for review and approval. The pricing of all the transactions with the related parties were on an arms length basis.

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as regulations and guidelines of SEBI, as issued from time to time. No penalties have been imposed or stricture has been issued by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years.

A Vigil Mechanism/Whistle Blower Policy has been established for Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguard against victimisation of director(s)/employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Chairman of the Audit Committee in exceptional cases. The Policy is available on the Company's website (<http://www.evereadyindia.com/investor-relations/pdf/whistle-blower-policy1.pdf>).

There are no material listed/unlisted subsidiary companies as defined in Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is displayed on the Company's website (<http://www.evereadyindia.com/investor-relations/pdf/policy-for-determining-material-subsiidiaries1.pdf>)

The Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors, with a view to regulate trading in securities by the Directors, Key Managerial Persons and other designated persons.

The Board has formulated a Succession Planning Policy, as recommended by Nomination & Remuneration Committee, for orderly succession for appointments to the Board and to senior management, in terms of Regulation 17 (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

There were no material financial and commercial transactions where senior management of the Company had personal interest that may have a potential conflict with the interest of the Company at large.

The Company has complied with the mandatory requirements as prescribed in Part C of Schedule V of the Listing Regulations.

**Compliance of Non-mandatory Requirements as on March 31, 2017**

**The Board:** During the year under review, no expenses were incurred in connection with the office of the Chairman.

**Shareholder Rights:** Half-yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company.

**Modified Opinion(s) in Audit Report:** Nil

**Separate Posts of Chairman & CEO:** The Chairman and Managing Director are two separate individuals.

**Reporting of Internal Auditor:** The Company has an in-house Internal Auditor who submits reports to the Audit Committee, regularly.

For and on behalf of the Board of Directors

Kolkata  
May 30, 2017

**B. M. Khaitan**  
Chairman

**TO THE MEMBERS OF  
EVEREADY INDUSTRIES INDIA LIMITED**

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

1. This certificate is issued in accordance with the terms of our engagement letter dated August 31, 2016
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of **Eveready Industries India Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**Managements' Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Regn. No. 302009E)

**Abhijit Bandyopadhyay**  
Partner  
(Membership No. 054785)

Kolkata,  
May 30, 2017

# BUSINESS RESPONSIBILITY REPORT

## INTRODUCTION

This Business Responsibility Report provides an overview of the activities carried out by the Company under each of the nine principles as outlined in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVEG) released by the Ministry of Corporate Affairs, and is in accordance with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN)	:	L31402WB1934PLCO07993								
2	Name of the Company	:	Eveready Industries India Ltd.								
3	Registered Address	:	1 Middleton Street, Kolkata 700 071								
4	Website	:	www.evereadyindia.com								
5	E-mail id	:	investorrelation@eveready.co.in								
6	Financial Year reported	:	2016-17								
7	Sector(s) that the Company is engaged in (industrial activity code wise)	:	The Company is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general Lighting products and small home appliances which come under a single business segment known as Consumer Goods. (see below for industrial activity (NIC) code)								
8	3 key products/services (as in balance sheet)	:	<table border="1"> <thead> <tr> <th>Key products / service</th> <th>NIC Code</th> </tr> </thead> <tbody> <tr> <td>Dry Cell Batteries</td> <td>27201</td> </tr> <tr> <td>Flashlight (Torches)</td> <td>27400</td> </tr> <tr> <td>Lighting and Electricals</td> <td>27400</td> </tr> </tbody> </table>	Key products / service	NIC Code	Dry Cell Batteries	27201	Flashlight (Torches)	27400	Lighting and Electricals	27400
Key products / service	NIC Code										
Dry Cell Batteries	27201										
Flashlight (Torches)	27400										
Lighting and Electricals	27400										
9	Total number of locations where business activity is undertaken	:									
	(a) Number of International Locations	:	Nil								
	(b) Number of National Locations	:	Registered and Corporate Office in Kolkata 7 manufacturing operations and 18 sales offices across India								
10	Markets served by the Company – Local/State/National/International	:	National/International (Exports)								

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	:	₹ 3,634.36 Lakhs
2	Total Turnover	:	₹ 1,35,381.40 Lakhs
3	Total profit after taxes	:	₹ 9,363.00 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as % of profit after tax	:	Refer to Annual Report on CSR
5	List of activities in which expenditure in 4 above has been incurred	:	Refer Annual Report on CSR activities

## SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	:	Yes, 2 wholly owned subsidiaries as on March 31, 2017.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	:	The BRR policies are extended to its subsidiary companies as applicable.
3	Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	:	EIIL encourages and supports the independent activities of other entities.

## SECTION D: BR INFORMATION

1.	(a) Details of the Director/Director responsible for implementation of the BR policy/policies	:	
	1 DIN Number	:	DIN : 00213413      DIN : 00112375
	2 Name	:	Mr. Amritanshu Khaitan      Mr. Suvamoy Saha
	3 Designation	:	Managing Director      Wholetime Director and CFO
	(b) Details of the BR head	:	The Executive Directors oversee the BR implementation.
	1 DIN Number (if applicable)/ Name/ Designation/ Telephone number / E-mail id	:	The Company does not have a BR head as of now.



## 2. Principle-wise (as per NVGs) BR Policy/policies

The Principles are as follows:

- Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- Principle 3: Businesses should promote the well-being of all employees.
- Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
- Principle 5: Businesses should respect and promote human rights.
- Principle 6: Businesses should respect, protect, and make efforts to restore the environment.
- Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- Principle 8: Businesses should support inclusive growth and equitable development.
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All formulated in consultation with the Management of the Company and approved by the Board								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG guidelines								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	BRR polices are available at <a href="http://www.evereadyindia.com/investor-relation/company-policies.aspx">http://www.evereadyindia.com/investor-relation/company-policies.aspx</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Will be done in due course as applicable								

## 3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year : Annually
- (b) Does the Company publish a BR or a Sustainability Report? : The BR report for FY16-17 can be accessed through the link  
What is the hyperlink for viewing this report? : <http://www.evereadyindia.com/investor-relation/annual-report-16-17.pdf>  
How frequently it is published? : This is the first BR Report of the Company

**SECTION E: PRINCIPLE-WISE PERFORMANCE****Principle 1 – Business should conduct and govern themselves with Ethics, Transparency and Accountability**

1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?	: Yes. The Policy relating to ethics, bribery and corruption covers the Company and its wholly owned subsidiaries. All suppliers and partners are expected to adopt the policy.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	: During the year under review, no complaint has been received under the investigation mechanism.

**Principle 2 – Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and /or opportunities.	: a. AA Zinc Carbon Batteries b. AAA Zinc Carbon Batteries c. Furnace Operations
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product, (optional)	: AA and AAA Zinc Carbon Batteries are mercury and cadmium free.
	(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	LPG (green fuel) used for furnace operations in lieu of electricity. Usage of LPG also reduced by approx. 20% for furnace operations.
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Manufacturing units are ISO- 9001 and ISO -14000 Certified. Energy Audits are conducted periodically.
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	: Suppliers and transporters are encouraged to address Social and environmental requirements with preference given to ISO-9000 certified suppliers and transporters.
4.	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	: A major portion of packaging items are procured from local and small producers. The technical personnel work closely with the suppliers for improvements.
5.	Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	: Recycled and recyclable paper is used for packaging of products. All the manufacturing units are zero discharge units, where effluents are treated and used within the units.

**Principle 3 – Business should promote the well-being of all employees**

1.	Total number of employees	: 2866
2.	Total number of employees hired on temporary/contractual/casual basis (FY 2016-17)	: 933
3.	Number of permanent women employees	: 48
4.	Number of permanent employees with disabilities	: 1
5.	Do you have an employee association that is recognised by management.	: Yes
6.	What percentage of your permanent employees are members of this recognised employee association?	: Around 44%
7.	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	: The Company does not hire child labour/force labour/involuntary labour and does not advocate discriminatory employment. No complaints have been filed during the financial year
8.	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	: Permanent Employees - 68%, Permanent Women Employees - 85%, Casual/Temporary/ Contractual Employees 65%, Employees with Disabilities -100%

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

1.	Has the Company mapped its internal and external stakeholders? Yes/No	: Yes, the Company engages with various stakeholders, both formally and informally to understand their concerns and expectations. The various divisions of the Company engage with various stakeholders, as applicable.
2.	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.	: Yes, the Company identifies the deprived and unprivileged persons within the community, around its various locations.
3.	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.	: The Company has taken several initiatives to engage with deprived and unprivileged persons with key initiatives of 'Enlight a girl Child', 'Food for Hungry' & 'Special Education'.

**Principle 5 – Business should respect and promote human rights**

1.	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs / Others?	: Yes. The Policy on human rights covers the Company and its wholly owned subsidiaries and extends to suppliers and contractors. All suppliers and partners are expected to uphold the human rights.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	: No complaints have been received with regard to violation of any human rights in the past financial year.

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

1.	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors /NGOs/others.	: The Environmental Policy of the Company covers all manufacturing locations and employees and contractors. All business partners are expected to adopt the policy.
2.	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N If yes, please give hyperlink for webpage etc.	: The Company is conscious of the global environment issues. Energy conservation continues to be an area of priority. The Company also continues to harness non-conventional energy through windmills. Refer to Annexure 1 of the Annual Report at the link <a href="http://www.evereadyindia.com/investor-relation/annual-report-16-17.pdf">http://www.evereadyindia.com/investor-relation/annual-report-16-17.pdf</a> .
3.	Does the Company identify and assess potential environmental risks?	: Risks and their appropriate mitigations are reviewed and revised on an ongoing basis.
4.	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	: The Company does plant trees on Environment Day at its factory locations.
5.	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	: Yes, refer to Annexure 1 of the Annual Report at the link : <a href="http://www.evereadyindia.com/investor-relation/annual-report-16-17.pdf">http://www.evereadyindia.com/investor-relation/annual-report-16-17.pdf</a> .
6.	Are the Emissions/Waste generated by the Company within the financial year being reported?	: Yes, within permissible limits given by CPCB/SPCB for the FY 2016-17.
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	: As on March 31, 2017, there is no pending show cause or legal notice received from CPCB/SPCB to the best of the knowledge and understanding of the Company.

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

1.	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	: Yes, like Confederation of Indian Industries (CII), Bengal Chamber of Commerce (BCC), Indian Chamber of Commerce (ICC), etc.
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	: The Company participates in various seminars, conferences and other forums on various matters, with a view to create positive impact while achieving its business goals.

**Principle 8 – Business should support inclusive growth and equitable development**

1.	Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	: The Company undertakes various CSR activities inclusive of its initiative- “En-Light a Girl Child” with the objective of addressing two crucial issues, one of perennial darkness in the rural households and the other of Girl Child Empowerment. as well as CSR activities for the purpose of eradication of hunger and poverty and promotion of education, special education for differently abled and sports and education for rural development.
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures /any other organisation?	: The CSR projects or programmes are implemented through the internal team as well implementing agencies as may be required.
3.	Have you done any impact assessment of your initiative?	: Yes
4.	What is your Company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	: Refer to the Annual Report on CSR Activities
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	: Yes

### Principle 9 – Business should engage with and provide value to their customers and consumers in a responsible manner

1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	:	No consumer complaints as received are pending as on the end of the financial year. One consumer case is pending before a District Consumer Forum.
2.	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)	:	Yes, the Company displays all requisite product information and safety guidance on the product labels. Certain products also have product manuals, as required, containing therein safety guidance, tips on efficient use and other product information.
3.	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	:	No
4.	Did your Company carry out any consumer survey/ consumer satisfaction trends?	:	Yes

### DIVIDEND DISTRIBUTION POLICY

#### 1. Objectives

- To lay down a broad framework for consideration of the Board of Directors of the Company (the Board) while declaring/ recommending Dividends to its shareholders and/or retaining or plough back of its profits.
- To set out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

#### 2. Dividend

- The Board may recommend Dividend while approving Final accounts, for any financial year (April to March), at its discretion, subject to the approval of the Members of the Company.
- The Dividend as recommended by the Board shall be approved/ declared at the Annual General Meeting of the Company.
- The Board may also declare Interim Dividends for any financial year, (April to March), at its discretion, to be paid to the Members of the Company. Before declaring Interim Dividend, the Board shall consider the quarterly or half yearly financial position of the Company for the payment of such Dividend.
- The payment of Dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the Dividend on the record date/book closure period as per the applicable law.
- In case no Final Dividend is declared, Interim Dividend paid during the year, if any, will be regarded as Final Dividend in the Annual General Meeting.

#### 3. Factors For Declaration of Dividend

Generally, the parameters and/or factors that may be considered by the Board before making any recommendations/declarations of the Dividend as the case may be, would include, but are not limited to the following:

- Financial Parameters:**
  - Current financial year's profit after requisite provisions and transfers as may be required
  - Outstanding debts

- Cash Flow after consideration of business needs
- Any other financial parameters as deemed fit by the Board

- Internal & External Factors:**

- State of the Economy and the business environment
- Trends in Capital Markets
- Statutory Restrictions/Amendments
- Taxation and Regulatory Concerns
- Prospective Opportunities and Threats
- Working Capital & Capital Expenditure requirements
- Net Worth
- Any other factors as deemed fit by the Board.

#### 4. Circumstances under which Dividend Payout may or may not be expected

- The Equity Shareholders of the Company may expect Dividend if the Company is having surplus funds after providing all expenses, depreciation etc. and complying with all other statutory requirements of the Companies Act, 2013.
- The Dividend pay-out decision of the Company would depend upon the consideration of certain parameters and/or factors including but not limited to the parameters as well as internal and external factors as stated above.
- The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run.

#### 5. Utilisation Of Retained Earnings

The decision of utilization of the retained earnings of the Company would be based on factors including but not limited to the following:

- Expansion/modernisation/acquisition plan
- Working Capital/Capital Expenditure requirements
- Expensive cost of debt
- Other such criteria as the Board may deem fit from time to time

#### 6. Parameters For Various Classes Of Shares

Since the Company has only issued one class of shares being Equity Shares with equal voting rights, all the Members of the Company are entitled to the same Dividend per Equity Share.

## INDEPENDENT AUDITOR'S REPORT

**To**  
**The Members of**  
**Eveready Industries India Limited**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Eveready Industries India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS 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 the Indian Accounting Standards (Ind AS) prescribed 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS

financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, 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.
  - 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 Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e) On the basis of the written representations received from the Directors as on March 31, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017, 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 over financial reporting 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 over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Ind AS financial statements - Refer Note 32.1(i) to the standalone Ind AS 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. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management (Refer Note 32.12 to the standalone Ind AS financial statements).
2. As required by the Companies (Auditor's Report) Order, 2016 ("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 **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 302009E)

**Abhijit Bandyopadhyay**  
(Partner)  
(Membership No. 054785)

Place: Kolkata  
Date: May 30, 2017

## 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 Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Eveready Industries India Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS 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 based on the internal control over financial reporting 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 over financial reporting 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 standalone Ind AS 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 system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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

over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting 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".

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 302009E)

**Abhijit Bandyopadhyay**  
(Partner)

(Membership No. 054785)

Place: Kolkata  
Date: May 30, 2017

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

### (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. However, the freehold land and structures thereon located at Maddur is in the name of the erstwhile Company which was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court(s) of judicature.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders. In respect of immovable properties of leasehold lands and buildings constructed by the Company at its own cost on such leasehold lands and disclosed as property, plant and equipment in the standalone Ind AS financial statements, the lease agreements

are in the name of the Company, where the Company is the lessee in the agreement.

- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans falling under Section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The maintenance of cost records has been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of specified products of the Company. For such products we have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:

## Standalone

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount Involved (₹ In Lakhs)
Central Sales Tax Act and Local Sales Tax Act	Sales Tax	Additional Commissioner of Sales Tax	1998-1999 & 2004-2005	14.14 <sup>^</sup>
		Assistant Commissioner of Sales Tax	1999-2000 to 2002-2003 & 2005-2006	11.50
		Joint Commissioner of Sales Tax	2013-2014	1.94 <sup>^^</sup>
Central Excise Act, 1944	Excise Duty	High Court	1997-1998 to 2003-2004	1,496.53
		Commissioner of Central Excise (Appeals)	1991-1992 to 1998-1999, 2004-2005, 2011-2012, 2012-2013 to 2014-2015	50.35 <sup>#</sup>
		Customs Excise & Service Tax Appellate Tribunal	1996-1997 to 1997-1998, 1999-2000 to 2009-2010, 2011-2012 to 2013-2014	395.49 <sup>#</sup>
		Deputy Commissioner of Central Excise	2009-2010 to 2010-2011	0.15
		Assistant Commissioner of Central Excise	1996-1998, 2002-2003 to 2008-2009	68.44
Customs Act, 1962	Customs Duty	Customs Excise & Service Tax Appellate Tribunal	2005-2006	31.31
		The Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal
		Commissioner of Central Excise & Service Tax (Appeals)	2006-2007, 2009-2010, 2012-2013 to 2013-2014	15.00
		Assistant Commissioner of Central Excise & Service Tax	2007-2008 to 2008-2009	3.64 <sup>**</sup>

<sup>^</sup> Net of ₹ 9.29 Lacs paid under protest

<sup>#</sup> Net of ₹ 0.62 Lacs paid under protest

<sup>\*</sup> Net of ₹ 5.75 Lacs paid under protest

<sup>^^</sup> Net of ₹ 0.43 Lacs paid under protest

<sup>##</sup> Net of ₹ 21.09 Lacs paid under protest

<sup>\*\*</sup> Net of ₹ 1.66 Lacs paid under protest

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not borrowed any money from financial institutions and government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us the term loans have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or Directors of its subsidiary, or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 302009E)

**Abhijit Bandyopadhyay**  
(Partner)  
(Membership No. 054785)

Place: Kolkata  
Date: May 30, 2017



## BALANCE SHEET

as at March 31, 2017

₹ Lakhs				
Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment	3	33,121.09	21,905.41	20,342.85
(b) Capital work-in-progress	3	318.32	2,099.99	2,774.54
(c) Investment property	4	5.64	5.64	5.64
(d) Intangible assets	5	289.05	298.60	347.09
(e) Intangible assets under development	5	321.66	107.43	4.80
(f) Financial assets				
(i) Investments	6	265.65	265.66	265.68
(ii) Loans	7	153.81	182.99	188.36
(iii) Other financial assets	8	521.91	644.11	449.58
(g) Non-current tax assets	9	161.61	131.84	119.75
(h) Other non-current assets	10	3,445.46	3,229.14	3,093.87
(i) Deferred tax assets (net)	19	-	9.57	-
<b>Total non-current assets</b>		<b>38,604.20</b>	<b>28,880.38</b>	<b>27,592.16</b>
<b>2 Current assets</b>				
(a) Inventories	11	28,429.53	23,741.08	25,954.74
(b) Financial assets				
(i) Trade receivables	12	8,386.66	7,053.99	4,891.84
(ii) Cash and cash equivalents	13A	248.63	206.65	218.21
(iii) Other balances with banks	13D	61.60	62.58	49.17
(iv) Loans	7	741.30	3,627.35	56.26
(v) Other financial assets	8	511.53	459.02	832.00
(c) Other current assets	10	3,582.00	2,677.49	4,285.53
<b>Total current assets</b>		<b>41,961.25</b>	<b>37,828.16</b>	<b>36,287.75</b>
<b>TOTAL ASSETS</b>		<b>80,565.45</b>	<b>66,708.54</b>	<b>63,879.91</b>
<b>B EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity share capital	14	3,634.36	3,634.36	3,634.36
(b) Other equity	15	25,318.48	17,001.67	10,974.67
<b>Total equity</b>		<b>28,952.84</b>	<b>20,636.03</b>	<b>14,609.03</b>
<b>Liabilities</b>				
<b>2 Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	16	9,453.18	6,651.90	5,255.19
(ii) Other financial liabilities	17A	394.73	394.73	394.73
(b) Provisions	18	653.43	545.18	537.63
(c) Deferred tax liabilities (net)	19	121.48	-	121.16
<b>Total non-current liabilities</b>		<b>10,622.82</b>	<b>7,591.81</b>	<b>6,308.71</b>
<b>3 Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	20	7,271.71	7,183.84	12,083.07
(ii) Trade payables	21	23,990.55	21,144.00	22,735.01
(iii) Other financial liabilities	17B	4,369.43	5,614.90	4,414.67
(b) Other current liabilities	22	2,656.97	2,282.91	1,864.07
(c) Provisions	18	1,350.10	1,128.69	928.45
(d) Current tax liabilities (net)	23	1,351.03	1,126.36	936.90
<b>Total current liabilities</b>		<b>40,989.79</b>	<b>38,480.70</b>	<b>42,962.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>80,565.45</b>	<b>66,708.54</b>	<b>63,879.91</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Suvamoy Saha**  
Wholetime Director & CFO

**Amritanshu Khaitan**  
Managing Director

**Abhijit Bandyopadhyay**  
Partner

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata  
Date: May 30, 2017

Place: Kolkata  
Date: May 30, 2017

## STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

₹ Lakhs			
Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
1 <b>Revenue from operations (gross)</b>	24	1,41,869.03	1,39,423.39
2 <b>Other income</b>	25	956.80	776.81
3 <b>TOTAL INCOME (1+2)</b>		<b>1,42,825.83</b>	<b>1,40,200.20</b>
4 <b>Expenses</b>			
(a) Cost of materials consumed	26.a	54,466.98	57,615.42
(b) Purchases of stock-in-trade (traded goods)	26.b	34,466.74	23,622.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26.c	(5,168.63)	1,636.37
(d) Excise duty		6,351.15	7,060.04
(e) Employee benefit expense	27	14,422.35	13,005.03
(f) Finance costs	28	2,323.13	3,034.87
(g) Depreciation and amortisation expenses	29	1,493.03	1,389.57
(h) Other expenses	30	24,000.38	24,271.11
<b>TOTAL EXPENSES</b>		<b>1,32,355.13</b>	<b>1,31,635.07</b>
5 <b>Profit before tax (3 - 4)</b>		<b>10,470.70</b>	<b>8,565.13</b>
6 <b>Tax expense</b>			
(a) Current tax expense		1,008.06	1,848.10
(b) Minimum alternate tax utilized		(341.28)	(344.32)
(c) Current tax expense (net)	31.a	666.78	1,503.78
(d) Deferred tax	31.a	440.54	153.74
<b>Net tax expense (c + d)</b>		<b>1,107.32</b>	<b>1,657.52</b>
7 <b>Profit for the year (5 - 6)</b>		<b>9,363.38</b>	<b>6,907.61</b>
8 <b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss			
a) Remeasurement loss on defined benefit plans	15.7	(119.67)	(151.11)
b) Income tax related to above	15.7	41.42	32.25
ii) Items that will be reclassified to profit or loss			
a) Effective portion of (loss)/gain on designated portion of hedging instrument in cash flow hedge	15.5	(142.95)	172.94
b) Income tax related to above	15.5	49.47	(59.85)
Total other comprehensive income		(171.73)	(5.77)
9 <b>Total comprehensive income for the year (7 + 8)</b>		<b>9,191.65</b>	<b>6,901.84</b>
10 <b>Earnings Per Share - of ₹ 5/- each</b>			
(a) Basic	32.8.a	12.88	9.50
(b) Diluted	32.8.b	12.88	9.50

See accompanying notes forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

**Suvamoy Saha**  
Wholtime Director & CFO

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

**Amritanshu Khaitan**  
Managing Director

## STATEMENT OF CASH FLOW

for the year ended March 31, 2017

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. Cash flow from operating activities</b>		
Profit before tax	10,470.70	8,565.13
<i>Adjustments for:</i>		
Depreciation and amortisation expenses	1,493.03	1,389.57
Amortisation of lease payment as rent	19.73	19.73
Loss / (profit) on sale of property, plant and equipment	23.54	(1.60)
Finance costs	2,323.13	3,034.87
Interest income	(906.00)	(659.44)
Allowance for doubtful debts	84.01	89.00
Provision for indirect taxes	103.64	174.77
Provisions no longer required written back	(4.01)	(90.46)
Provision for estimated gain on derivatives	(47.06)	(46.37)
Net loss on fair valuation of investment through profit and loss	0.01	0.02
Net unrealised foreign exchange gain	(29.81)	(59.99)
	3,060.21	3,850.10
<b>Operating profit before working capital changes</b>	<b>13,530.91</b>	<b>12,415.23</b>
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(4,688.45)	2,213.66
Trade receivables	(1,414.73)	(2,258.06)
Loans (non-current and current)	50.76	(12.88)
Other assets (non-current and current)	(1,132.53)	1,899.79
Other financial assets-current	69.68	178.45
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	2,901.34	(1,532.52)
Other financial liabilities (non-current and current)	(79.62)	(79.92)
Other liabilities (non-current and current)	388.37	418.84
Provisions (non-current and current)	110.36	(27.63)
	(3,794.82)	799.73
<b>Cash generated from operations</b>	<b>9,736.09</b>	<b>13,214.96</b>
Net income tax paid	(690.47)	(1,623.83)
<b>Net cash generated from operating activities (A)</b>	<b>9,045.62</b>	<b>11,591.13</b>

## STATEMENT OF CASH FLOW

for the year ended March 31, 2017

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipments and intangible assets, including capital advances	(10,689.22)	(2,771.03)
Proceeds from sale of property, plant and equipment	128.75	27.14
Loan given to subsidiaries	(25.18)	(9.89)
Loan given to others	(6,500.00)	(5,000.00)
Loan realised from others	10,000.00	1,500.00
Interest received	270.47	606.60
	(6,815.18)	(5,647.18)
<b>Net cash used in investing activities (B)</b>	<b>(6,815.18)</b>	<b>(5,647.18)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non current borrowings	6,750.00	6,733.20
Repayment of non current borrowings	(5,956.64)	(3,817.84)
Net increase / (decrease) in working capital borrowings	1,886.14	(193.05)
Proceeds from other current borrowings	40,000.00	10,000.00
Repayment of other current borrowings	(40,700.00)	(15,800.00)
Finance cost	(2,247.74)	(3,104.00)
Dividends paid	(726.87)	(726.87)
Tax on dividend	(147.97)	(147.97)
	(1,143.08)	(7,056.53)
<b>Net cash used in financing activities (C)</b>	<b>(1,143.08)</b>	<b>(7,056.53)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,087.36</b>	<b>(1,112.58)</b>
Cash and cash equivalents at the beginning of the year	(5,092.88)	(3,980.30)
<b>Cash and cash equivalents at the end of the year - Refer Note 13C</b>	<b>(4,005.52)</b>	<b>(5,092.88)</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Suvamoy Saha**  
Wholetime Director & CFO

**Amritanshu Khaitan**  
Managing Director

**Abhijit Bandyopadhyay**  
Partner

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata  
Date: May 30, 2017

Place: Kolkata  
Date: May 30, 2017

## STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2017

	₹ Lakhs
<b>a) EQUITY SHARE CAPITAL</b>	
Balance as at April 1, 2015	3,634.36
Changes in equity share capital during the year	-
Balance as at March 31, 2016	3,634.36
Changes in equity share capital during the year	-
Balance as at March 31, 2017	3,634.36

### b) OTHER EQUITY

Particulars	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium reserve	Capital reserve	Foreign currency translation reserve	Development allowance reserve	Amalgamation reserve	Retained earnings	Effective portion of cash flow hedge	
Balance as at April 1, 2015	16,412.11	12,356.60	0.07	3.50	300.42	(18,098.03)	-	10,974.67
Profit for the year	-	-	-	-	-	6,907.61	-	6,907.61
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(118.86)	113.09	(5.77)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,788.75</b>	<b>113.09</b>	<b>6,901.84</b>
Payment of interim dividend	-	-	-	-	-	(726.87)	-	(726.87)
Payment of dividend distribution tax on above	-	-	-	-	-	(147.97)	-	(147.97)
<b>Balance as at March 31, 2016</b>	<b>16,412.11</b>	<b>12,356.60</b>	<b>0.07</b>	<b>3.50</b>	<b>300.42</b>	<b>(12,184.12)</b>	<b>113.09</b>	<b>17,001.67</b>
Profit for the year	-	-	-	-	-	9,363.38	-	9,363.38
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(78.25)	(93.48)	(171.73)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,285.13</b>	<b>(93.48)</b>	<b>9,191.65</b>
Payment of final dividend	-	-	-	-	-	(726.87)	-	(726.87)
Payment of dividend distribution tax on above	-	-	-	-	-	(147.97)	-	(147.97)
<b>Balance as at March 31, 2017</b>	<b>16,412.11</b>	<b>12,356.60</b>	<b>0.07</b>	<b>3.50</b>	<b>300.42</b>	<b>(3,773.83)</b>	<b>19.61</b>	<b>25,318.48</b>

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

**Suvamoy Saha**  
Wholtime Director & CFO

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

**Amritanshu Khaitan**  
Managing Director

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
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## 1 CORPORATE INFORMATION

Eveready Industries India Limited ("The Company") is in the business of manufacture and marketing of batteries, flashlights and packet tea under the brand name of "Eveready". The Company also distributes a wide range of electrical products and small home appliances. The Company is a Public Limited Company incorporated and domiciled in India with its registered office at 1, Middleton Street, Kolkata 700071. Eveready has its manufacturing facilities at Chennai, Lucknow, Noida, Haridwar, Maddur, Kolkata and Goalpara(Assam) and is supported by a sales and distribution network across the country.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These are the first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 2.20 for details of first-time adoption – mandatory exceptions and optional exemptions availed by the Company.

### 2.2 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except for the following:

- (i) certain financial instruments that are measured at fair value and
- (ii) defined benefit plans- plan assets measured at fair value.

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 a 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 2.3 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Estimates have been used in provision for warranties, provision for employee benefits, allowance for expected credit loss on financial assets and useful lives of property, plant and equipment.

### 2.4 Revenue recognition

#### Sale of goods

Revenue from the sale of goods is recognised, net of returns and trade discount, when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue includes excise duty but exclude sales tax and value added tax.

#### Interest income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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Note	Particulars
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### 2.5 Foreign currency transactions and translations

The functional currency of the Company is Indian rupee (₹).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.

**Foreign operations:** The exchange differences relating to foreign operations are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

### 2.6 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

### 2.7 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

### 2.8 Employee benefits

#### 2.8.1 Retirement benefit costs and termination benefits:

##### (a) Defined contribution plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The following are the defined contribution plans:

**Provident Fund** - This is a defined contribution plan framed in accordance with Indian laws, in accordance with which eligible employees participate. Under the plan, both the employee and employer contribute monthly at a determined rate (currently upto 12% of employee's salary). Contributions under the plan are made to the trust sponsored by the Company and the Pension Scheme framed by the Central Government.

##### (b) Defined benefit plan

For defined benefit retirement plans, 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. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) 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.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. 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. The following are the defined benefit plans:

**Pension** - A defined benefit plan, the liability for which is determined on the basis of an actuarial valuation on the frozen corpus as at March 31, 2003 and thereafter on the basis of the Company's defined contribution scheme.

**Gratuity** - The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is funded with trusts sponsored by the Company.

Defined benefit costs are categorised as follows:

- (i) service cost (including current service cost, past service cost, gains and losses on curtailment and settlement);
- (ii) net interest income or expense and
- (iii) remeasurement.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
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### 2.8.2 Short term employee benefits and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and other leaves in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of that related service.

Other employee benefits include post retirement medical benefits and compensated absences on separation, which are long term in nature. Both these benefits are unfunded and the liability for the same is determined by an independent actuarial valuation in accordance with the requirements of Ind AS 19 "Employee Benefits".

### 2.9 Income Tax

#### 2.9.1 Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

#### 2.9.2 Deferred tax

Deferred tax is recognised on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

#### 2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or 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.

### 2.10 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its 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 on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

#### 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 Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Factory building - 25 years

Plant and equipment (other than moulds-3 shifts) - 20 years

Plant and equipment (other than moulds-2 shifts) - 26.67 years

Plant and equipment (other than moulds-1 shift) - 40 years

Moulds - 3 years

Vehicles - 3 years



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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Note	Particulars
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Leasehold land is amortised over the duration of the lease.

Freehold land is not depreciated, except for improvements to the land included therein.

The estimated useful lives of the assets, residual values and depreciation method are reviewed regularly and are revised, whenever necessary.

### Capital work-in-progress

Projects under which assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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 the asset. Any gain or loss arising on the disposal / retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised on April 1, 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

### 2.11 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising thereon (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its investment property recognised on April 1, 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

### 2.12 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

#### Intangible assets under development

Expenditure on research and development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

#### Useful lives of intangible assets

Patent and trademark are amortised over their legal term or working life, whichever is shorter.  
Computer software is amortised over the life of the software license.

### 2.13 Impairment of tangible and intangible assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. However, the following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- an intangible asset that is not yet available for use; and
- an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
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The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### 2.14 Inventories

Inventories of raw materials and stores and spare parts are valued at the lower of weighted average cost and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Work-in-progress and finished goods are valued at lower of cost and net realisable value where cost is worked out on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges alongwith appropriate proportion of overheads and, where applicable, excise duty.

Net realizable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

### 2.15 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate of the consideration required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

#### Warranties

Provisions for service warranties and returns are recognised when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

### 2.16 Cash and cash equivalents

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

Bank overdraft and cash credit are also considered as part of cash and cash equivalents for the purpose of Statement of Cash Flows.

### 2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 2.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 2.19 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
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and liabilities 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 at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### 2.19.1 Financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- (i) those measured at amortised cost and
- (ii) those to be measured subsequently at fair value through profit and loss.

#### a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### b. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss where it is not measured at amortised cost.

#### c. Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

#### d. Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### e. Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

### 2.19.2 Financial liabilities and equity

#### Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### a. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### b. Financial Liabilities

- (i) Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.
- (ii) Interest-bearing bank loans and overdrafts are measured initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

#### c. Derecognition of financial liabilities

The Company derecognises financial liabilities only when the Company's obligations are discharged, cancelled or they expire.

#### d. Hedge instruments

The Company uses hedge instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

The Company uses certain forward foreign exchange contracts as hedge instruments in respect of foreign exchange fluctuation risk. These hedge contracts do not generally extend beyond 6 months.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

These hedges are accounted for and measured at fair value from the date the hedge contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts are marked to market at the end of each reporting period.

The Company also uses certain future and option contracts as hedge instruments in respect of commodity price fluctuation risk. These hedge instruments are accounted for as cash flow hedges.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges are recognised immediately in the Statement of Profit and Loss.

The effective portion of change in the fair value of the designated hedge instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedge reserve as a separate component of equity. Such amounts are reclassified into the Statement of Profit and Loss when the related hedged items affect profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in profit or loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

### 2.20 First-time adoption – mandatory exceptions and optional exemptions

#### Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:-

#### a. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

#### b. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

#### c. Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property, and intangible assets (except internally generated brand- refer explanation (b) to first time Ind AS reconciliation) recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### d. Business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date - April 1, 2015.

#### e. Cumulative translation differences on foreign operations

The Company has not elected the option to reset the cumulative translation differences on foreign operations that exist on the transition date to zero.

### 2.21 Recent accounting pronouncements

#### Standards issued but not yet effective

In March 2017, Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules 2017, notifying amendments to Ind AS 7 "Statement of Cash Flows" and Ind AS 102 "Share based payment". These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 "Statement of Cash Flows" and IFRS 2 "Share based payment", respectively. Out of these amendments, only the amendment to Ind AS 7 is applicable for the Company from April 1, 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company has evaluated the disclosure requirement of the amendment and the effect of the same on the financial statements is not considered to be material.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note Particulars**

**3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS**

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carrying amounts of :			
Freehold land	7,137.39	7,154.46	6,991.68
Buildings	10,367.41	4,984.80	4,906.51
Plant and equipment	14,867.56	9,199.02	7,914.99
Furniture and fixture	393.87	250.17	186.28
Vehicles	102.84	98.75	107.15
Office equipment	252.02	218.21	236.24
<b>Sub-total</b>	<b>33,121.09</b>	<b>21,905.41</b>	<b>20,342.85</b>
Capital work-in-progress	318.32	2,099.99	2,774.54
<b>Total</b>	<b>33,439.41</b>	<b>24,005.40</b>	<b>23,117.39</b>

Particulars	₹ Lakhs						
	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixture	Vehicles	Office Equipment	Total
<b>Cost or deemed cost</b>							
<b>Balance as at April 1, 2015</b>	<b>6,991.68</b>	<b>4,906.51</b>	<b>7,914.99</b>	<b>186.28</b>	<b>107.15</b>	<b>236.24</b>	<b>20,342.85</b>
Additions	179.84	412.39	2,060.36	99.74	47.55	70.88	2,870.76
Disposals	-	-	(21.32)	(3.31)	(1.37)	(0.10)	(26.10)
<b>Balance as at March 31, 2016</b>	<b>7,171.52</b>	<b>5,318.90</b>	<b>9,954.03</b>	<b>282.71</b>	<b>153.33</b>	<b>307.02</b>	<b>23,187.51</b>
Additions	-	5,742.28	6,652.18	192.46	52.77	120.73	12,760.42
Disposals	-	-	(156.64)	(5.15)	(0.32)	(2.61)	(164.72)
<b>Balance as at March 31, 2017</b>	<b>7,171.52</b>	<b>11,061.18</b>	<b>16,449.57</b>	<b>470.02</b>	<b>205.78</b>	<b>425.14</b>	<b>35,783.21</b>
<b>Accumulated depreciation</b>							
<b>Balance as at April 1, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Elimination on disposals	-	-	(0.13)	(0.47)	-	-	(0.60)
Depreciation expense	17.06	334.10	755.14	33.01	54.58	88.81	1,282.70
<b>Balance as at March 31, 2016</b>	<b>17.06</b>	<b>334.10</b>	<b>755.01</b>	<b>32.54</b>	<b>54.58</b>	<b>88.81</b>	<b>1,282.10</b>
Elimination on disposals	-	-	(1.90)	(0.29)	-	(0.10)	(2.29)
Depreciation expense	17.07	359.67	828.90	43.90	48.36	84.41	1,382.31
<b>Balance as at March 31, 2017</b>	<b>34.13</b>	<b>693.77</b>	<b>1,582.01</b>	<b>76.15</b>	<b>102.94</b>	<b>173.12</b>	<b>2,662.12</b>
<b>Carrying amount</b>							
<b>Balance as at April 1, 2015</b>	<b>6,991.68</b>	<b>4,906.51</b>	<b>7,914.99</b>	<b>186.28</b>	<b>107.15</b>	<b>236.24</b>	<b>20,342.85</b>
Additions	179.84	412.39	2,060.36	99.74	47.55	70.88	2,870.76
Disposals	-	-	(21.19)	(2.84)	(1.37)	(0.10)	(25.50)
Depreciation expense	(17.06)	(334.10)	(755.14)	(33.01)	(54.58)	(88.81)	(1,282.70)
<b>Balance as at March 31, 2016</b>	<b>7,154.46</b>	<b>4,984.80</b>	<b>9,199.02</b>	<b>250.17</b>	<b>98.75</b>	<b>218.21</b>	<b>21,905.41</b>
Additions	-	5,742.28	6,652.18	192.46	52.77	120.73	12,760.42
Disposals	-	-	(154.74)	(4.86)	(0.32)	(2.51)	(162.43)
Depreciation expense	(17.07)	(359.67)	(828.90)	(43.90)	(48.36)	(84.41)	(1,382.31)
<b>Balance as at March 31, 2017</b>	<b>7,137.39</b>	<b>10,367.41</b>	<b>14,867.56</b>	<b>393.87</b>	<b>102.84</b>	<b>252.02</b>	<b>33,121.09</b>

Note:

- (i) Property, plant and equipment pledged as security: Freehold Land and buildings with a carrying amount of ₹ 7,698.16 Lakhs (as at March 31, 2016: ₹ 2,694.88 Lakhs and as at April 1, 2015 : ₹ 2,541.97 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 16 and 20). Plant and equipments, Furniture and fixtures, Vehicle and Office equipments with a carrying amount of ₹ 9,681.81 Lakhs (as at March 31, 2016: ₹ 4,588.44 Lakhs and as at April 1, 2015 : ₹ 3,769.83 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 16 and 20).
- (ii) Freehold land and building includes a carrying value of ₹ 92.05 Lakhs (as at March 31, 2016: ₹ 92.05 Lakhs and as at April 01, 2015: ₹ 92.05 Lakhs) and ₹ 472.27 Lakhs (as at March 31, 2016: ₹ 530.56 Lakhs and as at April 01, 2015: ₹ 588.84 Lakhs) respectively located at Maddur which is in the name of the erstwhile Company which was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court(s) of judicature.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 4 INVESTMENT PROPERTY

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Investment property</b>			
Freehold Land	2.73	2.73	2.73
Building	2.91	2.91	2.91
<b>Total</b>	<b>5.64</b>	<b>5.64</b>	<b>5.64</b>

₹ Lakhs

Particulars	Freehold Land	Building	Total
<b>Cost or deemed cost</b>			
<b>Balance as at April 1, 2015</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
Additions	-	-	-
<b>Balance as at March 31, 2016</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
Additions	-	-	-
<b>Balance as at March 31, 2017</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
<b>Accumulated depreciation</b>			
<b>Balance as at April 1, 2015</b>	-	-	-
Additions	-	-	-
<b>Balance as at March 31, 2016</b>	-	-	-
Additions	-	-	-
<b>Balance as at March 31, 2017</b>	-	-	-
<b>Carrying amount</b>			
<b>Balance as at April 1, 2015</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
Additions	-	-	-
<b>Balance as at March 31, 2016</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
Additions	-	-	-
<b>Balance as at March 31, 2017</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>

#### Fair value of the Company's Investment property

The Company has identified its unused freehold land and building at Plot No. 8, Indus Park, Moula-Ali, Hyderabad, as investment property. The fair value of such property at Hyderabad has been derived using the market comparable rate of the surrounding area as at March 31, 2017, March 31, 2016 and April 1, 2015 on the basis of a valuation carried out as on the respective dates by an independent valuer not related to the Company. The independent valuer is Government registered valuer and have appropriate qualifications and experience in the valuation of properties.

Details of the Company's investment property and information about the fair value hierarchy as at March 31, 2017, March 31, 2016 and April 1, 2015 are as follows:-

₹ Lakhs

Particulars	Fair value			Fair value hierarchy (Level)
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	
Industrial units located in India, Hyderabad - Freehold land and building including compounded wall	9,971.50	9,946.63	9,921.76	Level 3
<b>Total</b>	<b>9,971.50</b>	<b>9,946.63</b>	<b>9,921.76</b>	

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note Particulars**

**5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Carrying amounts of :</b>			
Computer software	289.05	298.60	347.09
Patent/Trademark	*	*	*
Purchased brand	*	*	*
<b>Sub-total</b>	<b>289.05</b>	<b>298.60</b>	<b>347.09</b>
Intangible assets under development	321.66	107.43	4.80
<b>Total</b>	<b>610.71</b>	<b>406.03</b>	<b>351.89</b>

₹ Lakhs

Particulars	Computer software	Patent/Trademark	Purchased brand	Total
<b>Cost or deemed cost</b>				
<b>Balance as at April 1, 2015</b>	<b>347.09</b>	*	*	<b>347.09</b>
Additions	58.38	-	-	58.38
<b>Balance as at March 31, 2016</b>	<b>405.47</b>	*	*	<b>405.47</b>
Additions	101.23	-	-	101.23
Disposals	(0.06)	-	-	(0.06)
<b>Balance as at March 31, 2017</b>	<b>506.64</b>	*	*	<b>506.64</b>
<b>Accumulated depreciation and impairment</b>				
<b>Balance as at April 1, 2015</b>	-	-	-	-
Amortisation expense	106.87	-	-	106.87
<b>Balance as at March 31, 2016</b>	<b>106.87</b>	-	-	<b>106.87</b>
Disposals	-	-	-	-
Amortisation expense	110.72	-	-	110.72
<b>Balance as at March 31, 2017</b>	<b>217.59</b>	-	-	<b>217.59</b>
<b>Carrying amount</b>				
<b>Balance as at April 1, 2015</b>	<b>347.09</b>	*	*	<b>347.09</b>
Additions	58.38	-	-	58.38
Amortisation expense	(106.87)	-	-	(106.87)
<b>Balance as at March 31, 2016</b>	<b>298.60</b>	*	*	<b>298.60</b>
Additions	101.23	-	-	101.23
Disposals	(0.06)	-	-	(0.06)
Amortisation expense	(110.72)	-	-	(110.72)
<b>Balance as at March 31, 2017</b>	<b>289.05</b>	*	*	<b>289.05</b>

\* Valued at ₹ 1 in the books

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 6 NON-CURRENT INVESTMENTS

₹ Lakhs

Particulars	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investment in equity instruments									
(i) Investment of subsidiaries (at deemed cost)									
- Novener SAS (refer note 32.3)	-	-	-	-	4,646.04	4,646.04	-	4,646.04	4,646.04
(As at March 31, 2016 : 456 ordinary shares of €10 each, as at April 1, 2015 : 456 ordinary shares of €10 each)									
- Greendale India Ltd. (formerly known as Litez India Ltd.) 49,800 equity shares of ₹10 each	-	4.98	4.98	-	4.98	4.98	-	4.98	4.98
(As at March 31, 2016 : 49,800 equity shares of ₹10 each, As at April 1, 2015 : 49,800 equity shares of ₹10 each)									
- Everspark Hong Kong Pvt Ltd. 32,66,604 ordinary shares of HK\$1 each	-	260.61	260.61	-	260.61	260.61	-	260.61	260.61
(As at March 31, 2016 : 32,66,604 ordinary shares of HK\$1 each and as at April 1, 2015 : 32,66,604 ordinary shares of HK\$1 each)									
(ii) Investment of others- McLeod Russel India Ltd ( at fair value through profit and loss)	-	-	-	-	-	-	-	-	-
40 equity shares of ₹ 5 each	0.06	-	0.06	0.07	-	0.07	0.09	-	0.09
(As at March 31, 2016: 40 equity shares of ₹ 5 each, As at April 1, 2015: 40 equity shares of ₹ 5 each)									
<b>Total</b>	<b>0.06</b>	<b>265.59</b>	<b>265.65</b>	<b>0.07</b>	<b>4,911.63</b>	<b>4,911.70</b>	<b>0.09</b>	<b>4,911.63</b>	<b>4,911.72</b>
Less: Impairment loss in carrying cost of investments - Refer Note 32.3			-			4,646.04			4,646.04
<b>Total</b>			<b>265.65</b>			<b>265.66</b>			<b>265.68</b>
Aggregate carrying value of quoted investments [* ₹200/-]			*			*			*
Aggregate market value of listed and quoted investments			0.06			0.07			0.09
Aggregate carrying value of unquoted investments			265.59			4,911.63			4,911.63
Aggregate amount of impairment in value of investment			-			4,646.04			4,646.04



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 7 LOANS

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
At amortised cost						
(a) Loans to related parties (Refer note below)						
Unsecured, considered good	0.27	3.21	3.21	3.21	6.13	3.21
Doubtful (Refer Note 32.3)	-	-	2,973.27	-	2,973.27	-
	0.27	3.21	2,976.48	3.21	2,979.40	3.21
Less: Allowance for doubtful loans	-	-	2,973.27	-	2,973.27	-
	0.27	3.21	3.21	3.21	6.13	3.21
(b) Loans to employees						
Unsecured, considered good	153.54	49.72	179.78	71.30	182.23	53.05
(c) Loans to others						
Unsecured, considered good	-	688.37	-	3,552.84	-	-
<b>Total</b>	<b>153.81</b>	<b>741.30</b>	<b>182.99</b>	<b>3,627.35</b>	<b>188.36</b>	<b>56.26</b>

Note: Loans include amounts due from (Refer Note 32.7)

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
Director	0.27	3.21	3.21	3.21	6.13	3.21
Subsidiary	-	-	2,973.27	-	2,973.27	-
<b>Total</b>	<b>0.27</b>	<b>3.21</b>	<b>2,976.48</b>	<b>3.21</b>	<b>2,979.40</b>	<b>3.21</b>

#### 8 OTHER FINANCIAL ASSETS

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
At amortised cost						
(a) Security deposits						
Unsecured, considered good	474.83	296.66	589.52	75.69	398.31	199.55
(b) Other claims						
Unsecured, considered good	47.08	214.87	54.59	383.33	51.27	632.45
<b>Total</b>	<b>521.91</b>	<b>511.53</b>	<b>644.11</b>	<b>459.02</b>	<b>449.58</b>	<b>832.00</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 9 NON-CURRENT TAX ASSETS

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016	As at April 1, 2015
Non-current tax assets				
Advance income tax [net of Income -tax payable ₹ 1,001.14 Lakhs. (as at March 31, 2016 ₹ 34.50 Lakhs and as at April 1, 2015 ₹ 969.56 Lakhs)]		161.61	131.84	119.75
		<b>161.61</b>	<b>131.84</b>	<b>119.75</b>

#### 10 OTHER ASSETS

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
	(i) Prepaid expenses					
- Unsecured, considered good	1,243.79	289.74	1,051.13	279.87	1,070.87	230.31
(ii) Employee benefit assets						
- Gratuity fund (Refer Note 32.5.b)	930.14	-	805.22	-	825.14	-
- Pension fund (Refer Note 32.5.b)	348.71	-	189.73	122.51	283.64	-
(iii) Derivative assets on marked-to-market	-	29.99	-	125.89	-	-
(iv) Capital advances						
- Unsecured, considered good	699.15	-	842.53	-	525.52	-
(v) Balances with government authorities						
- Unsecured, considered good						
(a) CENVAT credit receivable	95.70	974.03	105.93	366.49	159.25	707.37
(b) VAT credit receivable	103.13	78.12	204.15	89.32	199.00	49.90
(c) Service Tax credit receivable	-	164.82	-	109.91	-	84.31
	198.83	1,216.97	310.08	565.72	358.25	841.58
(vi) Deposit with port authority	-	192.54	-	103.94	-	252.36
(vii) Other loans and advances						
- Unsecured, considered good						
(a) Advance for supplies and services	-	1,771.50	-	1,439.99	-	2,900.86
(b) Advance to related party	-	41.90	-	16.72	-	6.83
(c) Others	24.84	39.37	30.45	22.85	30.45	53.59
	24.84	1,852.77	30.45	1,479.56	30.45	2,961.28
<b>Total</b>	<b>3,445.46</b>	<b>3,582.00</b>	<b>3,229.14</b>	<b>2,677.49</b>	<b>3,093.87</b>	<b>4,285.53</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 11 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Raw materials	6,630.21	6,952.34	7,241.88
Goods-in-transit	1,750.98	1,894.37	2,216.22
	8,381.19	8,846.71	9,458.10
(b) Work-in-progress (Refer Note below)	3,728.04	3,670.72	3,114.11
(c) Finished goods (other than those acquired for trading)	9,758.88	7,904.33	10,002.52
(d) Stock-in-trade (acquired for trading)	6,040.32	2,783.56	2,878.35
(e) Stores and spares	521.10	535.76	501.66
<b>Total</b>	<b>28,429.53</b>	<b>23,741.08</b>	<b>25,954.74</b>

Note: Details of inventory of work-in-progress

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Batteries	1,966.86	2,088.17	1,963.08
Flashlights	1,618.45	1,367.36	901.12
Other items	142.73	215.19	249.91
<b>Total</b>	<b>3,728.04</b>	<b>3,670.72</b>	<b>3,114.11</b>

The cost of inventories recognised as an expense during the year was ₹ 94,716.09 Lakhs (for the year ended March 31, 2016: ₹ 91,913.17 Lakhs).

The cost of inventories recognised as an expense includes ₹ 155.15 Lakhs (for the year ended March 31, 2016 ₹ 110.04 Lakhs) in respect of write-down of inventory on account of obsolescence / adjustments. There has also been reversals of write-down by ₹ 3.37 Lakhs (for the year ended March 31, 2016- ₹ Nil).

The mode of valuation of Inventories has been stated in Note 2.14.

#### 12 TRADE RECEIVABLES

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables			
Unsecured, considered good	8,386.66	7,053.99	4,891.84
Doubtful	350.59	266.58	177.58
	<b>8,737.25</b>	<b>7,320.57</b>	<b>5,069.42</b>
Less: Allowance for doubtful trade receivables (expected credit loss allowance) - Refer note (i) below	350.59	266.58	177.58
<b>Total</b>	<b>8,386.66</b>	<b>7,053.99</b>	<b>4,891.84</b>

The average credit period on sale of goods is 17 days.

Customers seeking appointment to dealership are approved by the Regional Head of Sales for a channel after completing the Customer Business Data Form, along with all necessary documents. New customers are usually on Advance payment terms for three months. Customers seeking supply on credit after the stipulated period are extended the facility after evaluation by the Regional Head of Sales for the channel along with the Regional Commercial Manager. Sufficient proof of solvency has to be provided by the customer seeking credit. The credit limits are reviewed once every year in April.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 12 TRADE RECEIVABLES(CONTD.)

₹ Lakhs

Debtors Ageing	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Within the credit period	6,735.71	5,568.32	3,724.40
1-30 days past due	1,318.43	1,030.59	970.62
31-60 days past due	181.82	236.90	155.42
61-90 days past due	105.88	75.22	18.01
More than 90 days past due	395.41	409.54	200.97

Note (i) The Company's maximum exposure to credit risk with respect to customers as at March 31, 2017 ₹ 350.59 lakhs (as at March 31, 2016: ₹ 266.58 lakhs and as at April 1, 2015: ₹ 177.58 lakhs), which is the fair value of trade receivables less impairment loss as shown below. There is no concentration of credit risk with respect to any particular customer.

Movement in the allowances for doubtful trade receivables (expected credit loss allowance):

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	266.58	177.58
Movement in expected credit loss allowance on trade receivables	84.01	89.00
<b>Balance at end of the year</b>	<b>350.59</b>	<b>266.58</b>

#### 13 CASH AND CASH EQUIVALENTS AND OTHER BALANCES WITH BANKS

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A. Cash and cash equivalents</b>			
(a) Cash in hand	8.09	9.10	15.20
(b) Balances with banks			
- In current accounts	240.54	197.55	203.01
<b>Total - Cash and cash equivalents (as per Balance sheet) (A)</b>	<b>248.63</b>	<b>206.65</b>	<b>218.21</b>
<b>B. Bank overdraft and cash credit (Refer Note 20.a)</b>	<b>(4,254.15)</b>	<b>(5,299.53)</b>	<b>(4,198.51)</b>
<b>C. Cash and cash equivalents as per Statement of Cash Flows(A+B)</b>	<b>(4,005.52)</b>	<b>(5,092.88)</b>	<b>(3,980.30)</b>
<b>D. Other balances with banks</b>			
In earmarked accounts			
(i) Unpaid dividend accounts	42.05	30.39	18.40
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	19.55	17.89	16.47
(iii) Others	-	14.30	14.30
<b>Total - Other balances with banks (D)</b>	<b>61.60</b>	<b>62.58</b>	<b>49.17</b>
<b>Total Cash and Bank balances (A+D)</b>	<b>310.23</b>	<b>269.23</b>	<b>267.38</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note Particulars**

**14 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs
<b>(a) Authorised</b>						
Equity shares of ₹ 5 each with voting rights	21,15,60,000	10,578.00	21,15,60,000	10,578.00	21,15,60,000	10,578.00
<b>(b) Issued</b>						
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36	7,26,87,260	3,634.36
<b>(c) Subscribed and fully paid up</b>						
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36	7,26,87,260	3,634.36
Total	<b>7,26,87,260</b>	<b>3,634.36</b>	<b>7,26,87,260</b>	<b>3,634.36</b>	<b>7,26,87,260</b>	<b>3,634.36</b>

Refer Notes (i), (ii) and (iii) below

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Additions during the year	Deletions during the year	Closing Balance
Equity shares with voting rights				
Year ended March 31, 2017				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36
Year ended March 31, 2016				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36

**(ii) Terms / rights attached to equity shares:**

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Williamson Magor & Co Ltd.	1,70,07,841	23%	1,70,07,841	23%	1,70,07,841	23%
Williamson Financial Services Ltd.	63,70,988	9%	63,70,988	9%	63,70,988	9%
Bishnauth Investments Limited	41,48,246	6%	41,48,246	6%	41,48,246	6%
DSP Blackrock Micro Cap Fund	45,04,916	6%	-	-	-	-
Amansa Holdings Private Limited	40,31,191	6%	42,72,985	6%	-	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 15 OTHER EQUITY

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital reserve	12,356.60	12,356.60	12,356.60
Securities premium reserve	16,412.11	16,412.11	16,412.11
Development allowance reserve	3.50	3.50	3.50
Foreign currency translation reserve	0.07	0.07	0.07
Cash flow hedge reserve	19.61	113.09	-
Amalgamation reserve	300.42	300.42	300.42
Retained earnings	(3,773.83)	(12,184.12)	(18,098.03)
<b>Total</b>	<b>25,318.48</b>	<b>17,001.67</b>	<b>10,974.67</b>

#### 15.1 Capital reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	12,356.60	12,356.60
Movement during the year	-	-
<b>Balance at end of year</b>	<b>12,356.60</b>	<b>12,356.60</b>

Capital reserve represents a resource created by accumulated capital surplus and remain invested in the business for set off against any capital expenditure. This will not be distributed as dividends.

#### 15.2 Securities premium reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	16,412.11	16,412.11
Movement during the year	-	-
<b>Balance at end of year</b>	<b>16,412.11</b>	<b>16,412.11</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is maintained for utilization in accordance with the provisions of the Companies Act, 2013.

#### 15.3 Development allowance reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	3.50	3.50
Movement during the year	-	-
<b>Balance at end of year</b>	<b>3.50</b>	<b>3.50</b>

Development allowance reserve pertains to McLeod Russel (India) Limited (MRIL), which was added to the equity of the Company as at April 1, 1996 consequent to the amalgamation of MRIL and Faith Investments Limited with the Company.

#### 15.4 Foreign currency translation reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	0.07	0.07
Movement during the year	-	-
<b>Balance at end of year</b>	<b>0.07</b>	<b>0.07</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 15 OTHER EQUITY (CONTD.)

##### 15.5 Cash flow hedge reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	113.09	-
Gain arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	29.99	172.94
Income tax related to net gain recognised in other comprehensive income	(10.38)	(59.85)
Cumulative gain arising on changes in fair value of designated portion of hedging instruments reclassified through profit or loss	(172.94)	-
Income tax related to net gain reclassified through profit or loss	59.85	-
<b>Balance at end of year</b>	<b>19.61</b>	<b>113.09</b>

The Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising out of changes in fair value of designated portion of hedging instruments for cash flow hedges. The amounts recognized in this reserve is reclassified to profit or loss when the hedged item affects profit or loss.

##### 15.6 Amalgamation reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	300.42	300.42
Movement during the year	-	-
<b>Balance at end of year</b>	<b>300.42</b>	<b>300.42</b>

The Amalgamation reserve was created on April 1, 2007 during the amalgamation of the erstwhile Powercell Battery India Limited (PBIL) with the Company. This represents the difference between the paid up share capital of erstwhile PBIL and the value of investments of the Company in erstwhile PBIL.

##### 15.7 Retained earnings

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	(12,184.12)	(18,098.03)
Profit for the year	9,363.38	6,907.61
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(78.25)	(118.86)
Payment of interim dividend on equity shares [₹ NIL per share (Previous year ₹ 1 per share)]	-	(726.87)
Payment of dividend distribution tax on interim dividend	-	(147.97)
Payment of final dividend on equity shares [₹ 1 per share (Previous year ₹ NIL per share)]	(726.87)	-
Payment of dividend distribution tax on final dividend	(147.97)	-
<b>Balance at end of year</b>	<b>(3773.83)</b>	<b>(12,184.12)</b>

The amount that can be distributed by the Company as dividends to its equity shareholders is determined on the basis of the balance of the retained earnings after considering the requirements of the Companies Act, 2013.

An interim dividend of ₹ Nil per share (₹ 1 per share for the year ended March 31, 2016) was declared for the equity shareholders. A final dividend of ₹ 1 per share (₹ Nil per share for the year ended March 31, 2016) was declared on July 25, 2016 for the equity shareholders.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 16 NON-CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
<b>Term Loans- at amortised cost</b>						
From banks (Secured)						
ICICI Bank Ltd.	-	-	138.89	1,662.63	1,800.98	1,658.01
HDFC Bank Ltd.	8,311.45	1,212.52	2,697.76	1,162.04	3,407.44	1,212.60
United Bank of India	1,138.26	1,712.56	2,850.82	1,711.32	-	-
Yes Bank Ltd.	-	-	-	-	-	526.02
Indusind Bank Ltd.	-	-	937.50	312.50	-	-
From banks (Unsecured)						
Car Loans	3.47	23.47	26.93	42.23	46.77	35.78
<b>Total</b>	<b>9,453.18</b>	<b>2,948.55</b>	<b>6,651.90</b>	<b>4,890.72</b>	<b>5,255.19</b>	<b>3,432.41</b>

Notes: (i) Details of terms of repayment for the non-current borrowings and security provided in respect of the secured non-current borrowings:

₹ Lakhs

Particulars	Terms of repayment and security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
<b>Term loans from banks:</b>							
i)	ICICI Bank Ltd. Secured by first pari passu charge on the property, plant and equipments of the Company situated at Hyderabad, Chennai, Lucknow, Rainey Park, Kolkata, Block- B, Sector No. 80, Ghaziabad, Noida and Plot No. -06, Sector 12, Pant Nagar Industrial Area, Jawalpur, Haridwar. Effective interest rate - March 31, 2017- 11.83%p.a, March 31, 2016 -11.52% p.a, April 1, 2015 - 12.95% p.a	-	-	138.89	-	1,800.98	-
	Terms of repayment: 36 monthly instalments of ₹ 138.89 Lakhs with 24 months moratorium period.						
ii)	HDFC Bank Ltd. Secured by first pari passu charge on all the assets financed by HDFC Bank, first pari passu charge on all property, plant and equipments other than those financed specifically by any Bank, second pari passu charge on all assets financed by any Bank or charged specifically to any Bank, wherein assets include all movable Plant and equipments . Effective interest rate as at March 31, 2017 -10.37% p.a., March 31, 2016 -10.42% p.a. April 1, 2015 - 11.07%	1,139.37	-	2,247.76	-	3,407.44	-
	Terms of repayment: 14 quarterly instalments of ₹ 285.71 Lakhs.						
iii)	HDFC Bank Ltd. Secured by first charge on all the assets financed by HDFC Bank on the plant at Mornoi Village, Goalpara District, Assam, second pari passu charge on movable and immovable assets of the Company's unit at Uttaranchal. Effective interest rate as at March 31, 2017 -8.60% p.a, March 31, 2016 - 12.11% p.a, April 1, 2015 - Nil	7,172.08	-	450.00	-	-	-
	Terms of repayment: 48 equal monthly instalments of ₹ 9.18 lakhs with 2 years moratorium period.						
iv)	Indusind Bank Ltd. Secured by first pari passu charge on the property, plant and equipments of the Company situated at Hyderabad, Kolkata, Tiruvottiyur Chennai & Lucknow. Effective interest rate as at March 31, 2017 - Nil, March 31, 2016 - 10.5% p.a, April 1, 2015- Nil	-	-	937.50	-	-	-
	Terms of repayment: 16 equal quarterly instalments of ₹ 78.13 lakhs						
v)	United Bank of India Secured by first pari passu charge on the property, plant and equipments of the Company situated at Kolkata, Tiruvottiyur Chennai & Lucknow. Effective interest rate as at March 31, 2017 - 9.98% p.a, March 31, 2016 - 9.98% p.a, April 1, 2015 - Nil	1,138.26	-	2,850.82	-	-	-
	Terms of repayment: 34 equal monthly instalments of ₹ 143.00 lakhs and concluding 35th instalment of ₹ 138 lakhs						
vi)	Car Loans Terms of repayment: Various; Each repayable in 36 equated instalments.	-	3.47	-	26.93	-	46.77
<b>Total</b>		<b>9,449.71</b>	<b>3.47</b>	<b>6,624.97</b>	<b>26.93</b>	<b>5,208.42</b>	<b>46.77</b>

(ii) For the current maturities of long-term borrowings, refer items B (a) in Note 17 Other financial liabilities



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 17 OTHER FINANCIAL LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
<b>A. NON-CURRENT FINANCIAL LIABILITIES</b>						
Security deposits received		394.73		394.73		394.73
<b>TOTAL</b>		<b>394.73</b>		<b>394.73</b>		<b>394.73</b>
<b>B. CURRENT FINANCIAL LIABILITIES</b>						
(a) Current maturities of long-term debt (Refer Note 16)		2,948.55		4,890.72		3,432.41
(b) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:						
(i) Unpaid dividends- Not Due		45.32		33.66		21.66
(c) Other payables						
(i) Payables on purchase of property, plant and equipment and intangible assets		784.22		109.04		205.77
(ii) Retention Money		394.76		456.81		536.62
(iii) Estimated loss on derivatives		-		-		93.43
(iv) Marked-to-market on foreign exchange forward contracts		100.76		11.28		21.00
(v) Others		95.82		113.39		103.78
<b>Total</b>		<b>4,369.43</b>		<b>5,614.90</b>		<b>4,414.67</b>

#### 18 PROVISIONS

₹ Lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
(a) Provision for employee benefits:						
(i) Post-employment medical benefits (Refer Note 32.5.b)	291.31	36.61	273.29	40.49	255.12	35.81
(ii) Compensated absences (Refer Note 32.5.b)	362.12	70.81	271.89	66.50	282.51	19.13
	653.43	107.42	545.18	106.99	537.63	54.94
(b) Provision - Others:						
(i) Sales Tax, excise, etc. (Refer note (i) below)	-	867.86	-	790.97	-	706.66
(ii) Warranty provisions (Refer note (ii) below)	-	374.82	-	230.73	-	166.85
	-	1,242.68	-	1,021.70	-	873.51
<b>Total</b>	<b>653.43</b>	<b>1,350.10</b>	<b>545.18</b>	<b>1,128.69</b>	<b>537.63</b>	<b>928.45</b>

Details of provisions

(i) The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ Lakhs

Particulars	As at April 1, 2016	As at March 31, 2017		Reversal (withdrawn as no longer required)	As at March 31, 2017
		Additions	Utilisation		
Provision for other contingencies					
Sales Tax	92.31	70.98	(22.73)	(1.51)	139.05
Excise	378.85	-	-	(2.50)	376.35
Others (service tax, customs duty, etc)	319.81	32.65	-	-	352.46
<b>TOTAL</b>	<b>790.97</b>	<b>103.63</b>	<b>(22.73)</b>	<b>(4.01)</b>	<b>867.86</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 18 PROVISIONS (CONTD.)

₹ Lakhs

Particulars	As at April 1, 2015	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2016
Provision for other contingencies					
Sales Tax	78.21	38.67	-	(24.57)	92.31
Excise	250.43	136.10	-	(7.68)	378.85
Others (service tax, customs duty, etc)	378.02	-	-	(58.21)	319.81
<b>Total</b>	<b>706.66</b>	<b>174.77</b>	<b>-</b>	<b>(90.46)</b>	<b>790.97</b>

Note: The expected time of resulting outflow is one to two years.

(ii) The provision for warranty claims represents the estimated future outflow of economic benefits that will be required to settle the Company's obligations for warranties. This has been made on the basis of historical warranty trends.

₹ Lakhs

Particulars	As at April 1, 2016	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2017
Warranty provisions	230.73	476.38	(332.29)	374.82
<b>Total</b>	<b>230.73</b>	<b>476.38</b>	<b>(332.29)</b>	<b>374.82</b>

₹ Lakhs

Particulars	As at April 1, 2015	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2016
Warranty provisions	166.85	119.96	(56.08)	230.73
<b>Total</b>	<b>166.85</b>	<b>119.96</b>	<b>(56.08)</b>	<b>230.73</b>

#### 19 DEFERRED TAX (LIABILITIES) / ASSETS

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Assets	2,220.12	1,806.51	1,359.48
Deferred Tax Liabilities	(2,341.60)	(1,796.94)	(1,480.64)
<b>Total</b>	<b>(121.48)</b>	<b>9.57</b>	<b>(121.16)</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars				
<b>19</b>	<b>DEFERRED TAX (LIABILITIES) / ASSETS (CONTD.)</b>				₹ Lakhs
	<b>Particulars</b>	<b>As at April 1, 2016</b>	<b>Recognised in Profit and loss</b>	<b>Recognised in other comprehensive income</b>	<b>As at March 31, 2017</b>
	<b>A. Deferred tax assets</b>				
	Effect of recognizing derivative instruments other than designated as cash flow hedge at Fair Value	-	34.87	-	34.87
	Disallowance under section 40(a)(i) of the Income Tax Act, 1961	18.11	(4.27)	-	13.84
	Allowances for doubtful debts and advances	92.26	29.08	-	121.34
	Provision for compensated absences	117.11	32.72	-	149.83
	Expenditures falling under section 43B of Income Tax Act, 1961	386.92	41.76	-	428.68
	Mat credit entitlement	1,109.65	260.02	-	1,369.67
	Others	82.46	19.43	-	101.89
	<b>Total (A)</b>	<b>1,806.51</b>	<b>413.61</b>	<b>-</b>	<b>2,220.12</b>
	<b>B. Deferred tax liabilities</b>				
	Cash flow hedge	43.56	16.28	(49.47)	10.37
	Difference between book balance and tax balance of property, plant and equipment	1,753.38	577.85	-	2,331.23
	<b>Total (B)</b>	<b>1,796.94</b>	<b>594.13</b>	<b>(49.47)</b>	<b>2,341.60</b>
	<b>Net deferred tax assets / (liabilities) (A-B)</b>	<b>9.57</b>	<b>(180.52)</b>	<b>49.47</b>	<b>(121.48)</b>
					₹ Lakhs
	<b>Particulars</b>	<b>As at April 1, 2015</b>	<b>Recognised in Profit and loss</b>	<b>Recognised in other comprehensive income</b>	<b>As at March 31, 2016</b>
	<b>A. Deferred tax assets</b>				
	Disallowance under section 40(a)(i) of the Income Tax Act, 1961	88.68	(70.57)	-	18.11
	Allowances for doubtful debts and advances	61.46	30.80	-	92.26
	Provision for compensated absences	104.39	12.72	-	117.11
	Expenditures falling under section 43B of Income Tax Act, 1961	262.98	123.94	-	386.92
	Mat credit entitlement	765.33	344.32	-	1,109.65
	Others	76.64	5.82	-	82.46
	<b>Total (A)</b>	<b>1,359.48</b>	<b>447.03</b>	<b>-</b>	<b>1,806.51</b>
	<b>B. Deferred tax liabilities</b>				
	Cash flow hedge	-	(16.28)	59.84	43.56
	Difference between book balance and tax balance of property, plant and equipment	1,480.64	272.74	-	1,753.38
	<b>Total (B)</b>	<b>1,480.64</b>	<b>256.46</b>	<b>59.84</b>	<b>1,796.94</b>
	<b>Net deferred tax (liabilities) / assets (A-B)</b>	<b>(121.16)</b>	<b>190.57</b>	<b>(59.84)</b>	<b>9.57</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 20 CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans repayable on demand			
From banks			
(a) Secured at amortised cost- Bank overdraft and Cash credit (Refer Note (i) below)	4,254.15	5,299.53	4,198.51
(b) Secured at amortised cost- buyer's credit (Refer Note (i) below)	483.36	487.60	241.65
	4,737.51	5,787.13	4,440.16
Unsecured at amortised cost	2,534.20	1,396.71	7,642.91
<b>Total</b>	<b>7,271.71</b>	<b>7,183.84</b>	<b>12,083.07</b>

Note: (i) Details of security:

₹ Lakhs

Particulars	Nature of security	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans repayable on demand				
from banks:				
IDBI Bank Ltd.	Secured by hypothecation of stocks, stores & book debts relating to businesses of the Company	-	-	299.98
UCO Bank	and ranking pari passu with the charges created	36.71	2,032.63	2,009.46
United Bank of India	and/or to be created in favour of other banks in	2,439.64	2,689.53	1,499.20
ICICI Bank Ltd.	the consortium and first/second charge on the	701.21	78.67	218.98
HDFC Bank Ltd.	property, plant and equipment of the Company.	1,559.95	986.30	412.54
<b>Total</b>		<b>4,737.51</b>	<b>5,787.13</b>	<b>4,440.16</b>

#### 21 TRADE PAYABLES

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade payables:			
(i) Total outstanding dues of micro enterprises and small enterprises	99.39	109.31	113.55
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	21,418.87	19,383.50	20,043.19
(iii) Due to subsidiary	2,472.29	1,651.19	2,578.27
<b>Total</b>	<b>23,990.55</b>	<b>21,144.00</b>	<b>22,735.01</b>

The average credit period for purchase of materials and traded products ranges from 30 to 180 days

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	99.39	109.31	113.55
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.26	0.06	0.43
(iii) The amount of interest due and payable for the year	0.26	0.06	0.43
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.61	1.35	1.29

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 FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 22 OTHER CURRENT LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	894.08	830.56	760.64
(ii) BPL escrow liability	-	14.30	14.30
(iii) Advances from customers	445.77	347.18	240.53
(iv) Others	1,317.12	1,090.87	848.60
<b>Total</b>	<b>2,656.97</b>	<b>2,282.91</b>	<b>1,864.07</b>

#### 23 CURRENT TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Current tax liabilities</b>			
Income-tax payable [net of advance income tax ₹ 3,021.05 Lakhs - (as at March 31, 2016 ₹ 3,227.00 Lakhs and as at April 1, 2015 ₹ 1,700.62 Lakhs)]	1,351.03	1,126.36	936.90
	<b>1,351.03</b>	<b>1,126.36</b>	<b>936.90</b>

#### 24 REVENUE FROM OPERATIONS

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Sale of products-[including excise duty of ₹ 6,351.15 Lakhs (for the year ended March 31, 2016 ₹ 7,060.04 Lakhs)] Refer Note (i) below	1,41,732.52	1,39,311.41
(b) Other operating revenues (Refer Note (ii) below)	136.51	111.98
<b>Total</b>	<b>1,41,869.03</b>	<b>1,39,423.39</b>

#### Notes:

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(i) Sale of products comprises:		
<b>Manufactured goods</b>		
Batteries	79,249.38	79,972.49
Flashlights	10,453.31	9,103.89
Packet tea	6,872.71	7,216.38
Electrical products	2,080.11	10,473.73
Others	-	0.51
<b>Total - Sale of manufactured goods</b>	<b>98,655.51</b>	<b>106,767.00</b>
<b>Traded goods</b>		
Batteries	1,251.71	1,739.94
Flashlights	9,796.97	12,077.68
Electrical products	28,037.49	18,017.93
Small home appliances	3,990.84	68.09

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 24 REVENUE FROM OPERATIONS (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Others	-	640.77
<b>Total - Sale of traded goods</b>	<b>43,077.01</b>	<b>32,544.41</b>
<b>Total - Sale of products</b>	<b>141,732.52</b>	<b>139,311.41</b>
(ii) Other operating revenues comprise:		
-Sale of scrap	108.66	78.33
-Others	27.85	33.65
<b>Total - Other operating revenues</b>	<b>136.51</b>	<b>111.98</b>

#### 25 OTHER INCOME

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest income (Refer Note (i) below)	906.00	659.44
(b) Net gain on foreign currency transactions and translation (other than considered as finance cost)	16.71	-
(c) Other non-operating income (Refer Note (ii) below)	34.09	117.37
<b>Total</b>	<b>956.80</b>	<b>776.81</b>

#### Notes:

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(i) Interest income comprises:		
- On bank deposits and others	13.00	18.69
- On loans and advances	835.21	640.75
- On advance payment of Taxes	57.79	-
<b>Total - Interest income</b>	<b>906.00</b>	<b>659.44</b>
(ii) Other non-operating income comprises:		
- Profit on sale of property, plant and equipment	-	1.60
- Provisions no longer required written back (Refer Note 18)	4.01	90.46
- Others	30.08	25.31
<b>Total - Other non-operating income</b>	<b>34.09</b>	<b>117.37</b>

#### 26.a COST OF MATERIALS CONSUMED

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening stock	8,846.71	9,458.10
Add: Purchases	54,001.46	57,004.03
	<b>62,848.17</b>	<b>66,462.13</b>
Less: Closing stock	8,381.19	8,846.71
<b>Total cost of material consumed</b>	<b>54,466.98</b>	<b>57,615.42</b>
Material consumed comprises:		
Zinc spelter	11,134.08	9,786.15
Acetylene black	1,758.64	1,713.63
Brass	1,487.69	1,560.53
Manganese ore	1,593.28	1,699.72
Black tea for packet tea	4,823.97	4,999.20
Others	33,669.32	37,856.19
<b>Total</b>	<b>54,466.98</b>	<b>57,615.42</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 26.b PURCHASE OF STOCK-IN-TRADE (TRADED GOODS)

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Batteries	1,000.41	1,042.72
Flashlights	6,514.40	7,800.64
Electrical products	21,265.72	13,981.68
Small home appliances	5,686.21	254.12
Others	-	543.50
<b>Total</b>	<b>34,466.74</b>	<b>23,622.66</b>

#### 26.c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Inventories at the end of the year:</b>		
Finished goods	9,758.88	7,904.33
Work-in-progress	3,728.04	3,670.72
Stock-in-trade	6,040.32	2,783.56
	<b>19,527.24</b>	<b>14,358.61</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	7,904.33	10,002.52
Work-in-progress	3,670.72	3,114.11
Stock-in-trade	2,783.56	2,878.35
	<b>14,358.61</b>	<b>15,994.98</b>
<b>Net (increase) / decrease</b>	<b>(5,168.63)</b>	<b>1,636.37</b>

#### 27 EMPLOYEE BENEFIT EXPENSE

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and wages	12,214.90	10,816.81
Contributions to provident and other funds (Refer Note 32.5)	1,044.46	992.29
Staff welfare expenses	1,162.99	1,195.93
<b>Total</b>	<b>14,422.35</b>	<b>13,005.03</b>

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Notes:		
Employee benefit expense relating to investment property, that did not generate rental income:		
Salaries and wages	3.36	3.17
Contributions to provident and other funds	0.46	0.39
Staff welfare	0.09	0.13
<b>Total</b>	<b>3.91</b>	<b>3.69</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 28 FINANCE COSTS

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest expense on borrowings	2,108.82	2,727.28
(b) Other borrowing costs	6.35	26.51
(c) Net loss on foreign currency transactions and translation (considered as finance cost)	54.15	115.83
(d) Bank charges	153.81	165.25
<b>Total</b>	<b>2,323.13</b>	<b>3,034.87</b>

Note: The weighted average capitalisation rate on funds borrowed during the year is 9.6% p.a. (during the year ended March 31, 2016 - 9.6% p.a.)

#### 29 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation for the year on property, plant and equipment as per Note 3	1,382.31	1,282.70
Amortisation for the year on intangible assets as per Note 5	110.72	106.87
<b>Total</b>	<b>1,493.03</b>	<b>1,389.57</b>

#### 30 OTHER EXPENSES

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Consumption of stores and spare parts	158.55	170.63
Increase in excise duty in inventory of finished goods	(45.82)	(277.35)
Power and fuel	1,226.96	1,323.11
Rent	935.31	882.30
Repairs and maintenance - Buildings	227.26	213.93
Repairs and maintenance - Machinery	779.79	915.77
Repairs and maintenance - Software	183.70	144.02
Insurance	225.55	179.64
Rates and taxes	1,184.40	874.26
Travelling and conveyance	2,724.30	2,443.61
Freight, shipping and selling expenses	7,872.29	7,299.43
Advertisement, sales promotion and market research	5,768.32	6,577.88
Expenditure on corporate social responsibility (Refer Note 32.9)	93.32	48.55
Payments to auditors (Refer Note below)	72.57	67.91
Allowance for bad and doubtful trade receivables	84.01	89.00
Net Loss on foreign currency transactions and translation (other than considered as finance cost)	-	78.13
Loss on property, plant and equipment sold / scrapped / written off	23.54	-
Provision for estimated gain on derivatives	(47.06)	(46.37)
Provision for indirect taxes (Refer Note 18)	103.64	174.77
Net loss on fair valuation of investment through profit and loss	0.01	0.02
Miscellaneous expenses	2,429.74	3,111.87
<b>Total</b>	<b>24,000.38</b>	<b>24,271.11</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 30 OTHER EXPENSES (CONTD.)

Notes:

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Payments to the auditors comprises fees for (net of service tax input credit, where applicable):		
For audit	37.50	37.50
For taxation matters	10.85	10.85
For Company law matters	0.60	0.60
For other services	23.36	18.96
Reimbursement of expenses	0.26	-
<b>Total</b>	<b>72.57</b>	<b>67.91</b>

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Other expenses related to investment property that did not generate rental income:		
Consumption of stores and spare parts	0.02	0.02
Power and fuel	0.02	0.02
Repairs and maintenance - Machinery	0.02	0.02
Travelling and conveyance	0.01	0.04
Rates and taxes	3.73	3.93
Miscellaneous expenses- security service charge	15.56	14.63
<b>Total</b>	<b>19.36</b>	<b>18.66</b>

#### 31 INCOME TAX

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
31.a. Income tax recognised in profit and loss		
Current tax		
In respect of current year	1,008.06	1,848.10
Less :Minimum Alternate Tax utilized	(341.28)	(344.32)
	<b>666.78</b>	<b>1,503.78</b>
Deferred tax		
In respect of current year	440.54	153.74
	<b>440.54</b>	<b>153.74</b>
<b>Total</b>	<b>1,107.32</b>	<b>1,657.52</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 31 INCOME TAX (CONTD.)

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Profit before tax</b>	<b>10,470.70</b>	<b>8,565.13</b>
Income tax expense calculated at 34.608% (for the year ended March 31 ,2016 :34.608%)	3,623.70	2,964.22
Effect of provision for advances provided in earlier year and written off during the year	(1,028.99)	-
Effect of income exempt from taxation (under section 80-IC of the Income Tax Act, 1961)	(1,174.10)	(1,107.32)
Effect of concessions (research and development and other allowances)	(51.91)	(46.74)
Effect of MAT credit entitlement	(341.28)	(344.32)
Effect of expenses that are not deductible in determining taxable profit	79.90	191.68
<b>Total</b>	<b>1,107.32</b>	<b>1,657.52</b>

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>31.b. Income tax recognised in other comprehensive income</b>		
<b>Current tax</b>		
Arising on remeasurement loss on defined benefit plans	41.42	32.25
	<b>41.42</b>	<b>32.25</b>
<b>Deferred tax</b>		
Arising on effective portion of loss / (gain) on designated portion of hedging instrument in cash flow hedge	49.47	(59.85)
	<b>49.47</b>	<b>(59.85)</b>
<b>Total</b>	<b>90.89</b>	<b>(27.60)</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS

##### 32.1 Contingent liabilities & commitments (to the extent not provided for)

Particulars	₹ Lakhs	
	As at March 31, 2017	As at March 31, 2016
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
- Excise & Customs *	1,503.39	1,769.88
- Sales tax	69.84	64.36
*Excludes interest claimed in a few cases by respective authorities but amount not quantified.		
(b) Guarantees	3,836.53	4,044.77
(c) Others (includes ESI, Property Tax, Water Tax etc.)	134.35	153.23
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Property, plant and equipment	2,592.84	12,039.13
- Intangible assets	34.05	91.17

##### 32.2 Disclosure as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Name of the Subsidiaries	₹ Lakhs	
	Amount outstanding at end of the year	Maximum balance outstanding during the year
Novener SAS (liquidated during the year ended March 31, 2016)		
As at March 31, 2017	-	2,973.27
As at March 31, 2016	2,973.27	2,973.27
As at April 1, 2015	2,973.27	2,973.27

##### 32.3 Novener SAS

The Company acquired a controlling stake in Novener SAS from July 2009, a rechargeable battery conglomerate whose products were marketed under the brand name of "Uniross". As at March 31, 2017, the Company has an investment of ₹ Nil (As at March 31, 2016: ₹ 4,646.04 Lakhs and as at April 1, 2015: ₹ 4,646.04 Lakhs) and advances aggregating to ₹ Nil (as at March 31, 2016: ₹ 2,973.27 Lakhs and as at April 1, 2015: ₹ 2,973.27 Lakhs). The Company's total exposure towards investments and advances of ₹ 7,619.31 Lakhs was fully provided for as at March 31, 2016 (as at April 1, 2015: ₹ 7,619.31 Lakhs). Novener SAS and all the key entities of the Uniross group were liquidated, as ordered by French Court judgements. The Company sought RBI approval for writing off the investment and advances as mentioned above during the previous year ended March 31, 2016. RBI approval was received during the year for the same and hence accounting adjustments have been made.

##### 32.4 Particulars of Loans, guarantees or investments covered under Section 186(4) of the Companies Act, 2013

Interest bearing (which is not lower than prevailing yield of related Government Security close to the tenure of respective loans) loans repayable on demand to Babcock Borsig Ltd and McNally Bharat Ltd outstanding at the year end was ₹ 688.37 Lakhs and ₹ Nil respectively and maximum amount outstanding during the year was ₹ 6,114.04 Lakhs and ₹ 3,032.22 Lakhs respectively, for their business purposes.

Guarantees - ₹ Nil

Investment - ₹ Nil

##### 32.5 Employee benefit plans

###### 32.5.a Defined contribution plans

The Company makes Provident Fund and Pension Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 331.93 Lakhs (for the year ended March 31, 2016 ₹ 289.84 Lakhs) for Provident Fund contributions and ₹ 531.93 Lakhs (for the year ended March 31, 2016 ₹ 498.58 Lakhs) for Pension Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

32.5.b The Company offers the following employee benefit schemes to its employees:

Defined benefit plans

i. Gratuity

ii. Pension

Other long term employee benefits

i. Post-employment medical benefits

ii. Compensated absences

The following table sets out the funded/unfunded status of the defined benefit plans and other long term benefits and the amount recognised in the financial statements:

₹ Lakhs

Particulars	Year ended March 31, 2017				Year ended March 31, 2016				Year ended April 1, 2015				
	Gratuity	Post-employment medical benefits		Pension	Compensated absences	Gratuity	Post-employment medical benefits		Pension	Compensated absences	Gratuity	Post-employment medical benefits	
		Funded	Unfunded				Funded	Unfunded				Funded	Unfunded
<b>Components of employer expense</b>													
Current service cost	203.24	1.84	-	109.62	185.89	1.76	-	94.15	124.56	-	-	-	31.43
Interest cost	152.84	23.13	21.60	23.58	140.57	21.08	22.75	20.93	115.26	26.40	26.29	-	18.60
Expected return on plan assets	(228.43)	-	(46.12)	-	(212.78)	-	(44.73)	-	(196.26)	-	(46.79)	-	-
Actuarial losses / (gains)	62.54	27.33	(11.95)	37.39	119.64	38.09	(6.62)	(15.31)	204.17	(26.92)	(21.88)	-	69.54
Return on Plan Assets (Excluding Interest Income)	(116.67)	-	(20.58)	-	115.68	-	(8.44)	-	(181.14)	-	(27.66)	-	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	191.63	18.50	21.47	30.14	(20.06)	7.81	(1.05)	(3.15)	285.57	12.07	9.24	-	36.88
Actuarial losses / (gains) arising from changes in experience adjustments	(12.42)	8.83	(12.84)	7.25	24.02	30.28	2.87	(12.16)	99.74	(38.99)	(3.46)	-	32.66
<b>Total expense / (income) recognised in the Statement of Profit and Loss</b>	<b>190.19</b>	<b>52.30</b>	<b>(36.47)</b>	<b>170.59</b>	<b>233.32</b>	<b>60.93</b>	<b>(28.60)</b>	<b>99.77</b>	<b>247.73</b>	<b>(0.52)</b>	<b>(42.38)</b>	<b>-</b>	<b>119.57</b>
<b>Actual contribution and benefit payments for year</b>													
Actual benefit payments	253.02	38.16	56.69	76.05	141.15	38.08	29.14	63.02	193.68	38.10	66.36	-	73.61
Actual contributions	315.11	38.16	-	76.05	213.40	38.08	-	63.02	240.00	38.10	-	-	73.61
<b>Net asset / (liability) recognised in the Balance Sheet</b>													
Present value of defined benefit obligation	2,355.88	327.92	277.10	432.93	2,073.61	313.78	303.56	338.39	1,884.34	290.93	308.13	-	301.64
Fair value of plan assets	3,286.02	-	625.81	-	2,878.83	-	615.80	-	2,709.48	-	591.77	-	-
Status [Surplus / (Deficit)]	930.14	(327.92)	348.71	(432.93)	805.22	(313.78)	312.24	(338.39)	825.14	(290.93)	283.64	-	(301.64)
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>930.14</b>	<b>(327.92)</b>	<b>348.71</b>	<b>(432.93)</b>	<b>805.22</b>	<b>(313.78)</b>	<b>312.24</b>	<b>(338.39)</b>	<b>825.14</b>	<b>(290.93)</b>	<b>283.64</b>	<b>-</b>	<b>(301.64)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>													
Present value of DBO at beginning of the year	2,073.61	313.78	303.56	338.39	1,884.34	290.93	308.13	301.64	1,452.89	329.55	342.42	-	255.68
Current service cost	203.24	1.84	-	109.62	185.89	1.76	-	94.15	124.56	-	-	-	31.43
Interest cost	152.84	23.13	21.60	23.58	140.57	21.08	22.75	20.93	115.26	26.40	26.29	-	18.60
Actuarial losses / (gains)	179.21	27.33	8.63	37.39	3.96	38.09	1.82	(15.31)	385.31	(26.92)	5.78	-	69.54
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	191.63	18.50	21.47	30.14	(20.06)	7.81	(1.05)	(3.15)	285.57	12.07	9.24	-	36.88
Actuarial losses / (gains) arising from changes in experience adjustments	(12.42)	8.83	(12.84)	7.25	24.02	30.28	2.87	(12.16)	99.74	(38.99)	(3.46)	-	32.66
Benefits paid	(253.02)	(38.16)	(56.69)	(76.05)	(141.15)	(38.08)	(29.14)	(63.02)	(193.68)	(38.10)	(66.36)	-	(73.61)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

32.5.b The Company offers the following employee benefit schemes to its employees:(Contd.)

₹ Lakhs

Particulars	Year ended March 31, 2017				Year ended March 31, 2016				Year ended April 1, 2015			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
<b>Present value of DBO at the end of the year</b>	<b>2,355.88</b>	<b>327.92</b>	<b>277.10</b>	<b>432.93</b>	<b>2,073.61</b>	<b>313.78</b>	<b>303.56</b>	<b>338.39</b>	<b>1,884.34</b>	<b>290.93</b>	<b>308.13</b>	<b>301.64</b>
<b>Change in fair value of assets during the year</b>												
Plan assets at beginning of the year	2,878.83	-	615.80	-	2,709.48	-	591.77	-	2,285.76	-	583.68	-
Expected return on plan assets	228.43	-	46.12	-	212.78	-	44.73	-	196.26	-	46.79	-
Actual Company contributions	315.11	38.16	-	76.05	213.40	-	-	-	240.00	-	-	-
Actuarial gains	116.67	-	20.58	-	(115.68)	-	8.44	-	181.14	-	27.66	-
Benefits paid	(253.02)	(38.16)	(56.69)	(76.05)	(141.15)	-	(29.14)	-	(193.68)	-	(66.36)	-
<b>Plan assets at the end of the year</b>	<b>3,286.02</b>	<b>-</b>	<b>625.81</b>	<b>-</b>	<b>2,878.83</b>	<b>-</b>	<b>615.80</b>	<b>-</b>	<b>2,709.48</b>	<b>-</b>	<b>591.77</b>	<b>-</b>
<b>Actual return on plan assets</b>	<b>345.10</b>	<b>-</b>	<b>66.70</b>	<b>-</b>	<b>97.10</b>	<b>-</b>	<b>53.17</b>	<b>-</b>	<b>377.40</b>	<b>-</b>	<b>74.45</b>	<b>-</b>
<b>Composition of the plan assets is as follows:</b>												
Government bonds	-	NA	-	NA	65.07	NA	70.02	NA	92.21	NA	145.39	NA
Special Deposit with SBI	-	NA	65.35	NA	-	NA	65.35	NA	-	NA	65.35	NA
Corporate Bonds	-	NA	-	NA	-	NA	50.05	NA	-	NA	50.05	NA
Insurance Companies	3,072.09	NA	3,040.14	NA	2,620.97	NA	2,573.89	NA	2,419.29	NA	2,195.67	NA
Cash and Cash Equivalents	4.89	NA	1.68	NA	2.57	NA	1.40	NA	1.88	NA	1.38	NA
<b>ACTUARIAL ASSUMPTIONS</b>												
Discount rate	7.00%	7.00%	7.00%	7.00%	7.85%	7.85%	7.85%	7.85%	7.75%	7.75%	7.75%	7.75%
Expected return on plan assets	7.85%	NA	7.85%	NA	8.50%	NA	8.50%	NA	8.50%	NA	8.50%	NA
Salary escalation	6.00%	NA	NIL	6.00%	6.00%	NA	NIL	6.00%	6.00%	NA	NIL	6.00%
Attrition	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Medical cost inflation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	India	India	India	India	LIC	LIC	LIC	LIC	LIC	LIC	LIC	LIC
	Assured	Assured	Assured	Assured	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)
	Lives	Lives	Lives	Lives	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate
	Mortality	Mortality	Mortality	Mortality	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)
	Ultimate	Ultimate	Ultimate	Ultimate								
Mortality tables												
Average longevity at retirement age for current beneficiaries of the plan (Years)												
Males	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average longevity at retirement age for current employees(future beneficiaries of the plan) (Years)												
Males	NA	77.04	NA	NA	NA	76.99	NA	NA	NA	74.36	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.5.b The Company offers the following employee benefit schemes to its employees:(Contd.)

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

##### Experience adjustments

Particulars	2016-17	2015-16	2nd prior year	3rd prior year	4th prior year
<b>Gratuity</b>					
Present value of DBO	2,355.88	2,073.61	1,884.34	1,452.89	1,333.21
Fair value of plan assets	3,286.02	2,878.83	2,709.48	2,285.76	1,943.51
Status - Surplus	930.14	805.22	825.14	832.87	606.47
Experience gain / (loss) adjustments on plan liabilities	(12.42)	24.02	99.74	94.52	93.57
Experience gain / (loss) adjustments on plan assets	116.67	(115.68)	181.14	28.21	33.18
<b>Post Employment medical Benefits</b>					
Present value of DBO	327.92	313.78	290.93	329.55	350.22
Fair value of plan assets	NA	NA	NA	NA	NA
Status - (Deficit)	(327.92)	(313.78)	(290.93)	(329.55)	(350.32)
Experience gain / (loss) adjustments on plan liabilities	8.83	30.28	(38.99)	(4.30)	5.12
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA	NA
<b>Pension</b>					
Present value of DBO	277.10	303.56	308.13	342.42	359.73
Fair value of plan assets	625.81	615.80	591.77	583.68	552.60
Status - Surplus	348.71	312.24	283.64	241.26	192.87
Experience gain / (loss) adjustments on plan liabilities	(12.84)	2.87	(3.46)	(3.75)	16.13
Experience gain / (loss) adjustments on plan assets	20.58	8.44	27.66	25.18	28.55
<b>Compensated absences</b>					
Present value of DBO	432.93	338.39	301.64	255.68	235.21
Fair value of plan assets	NA	NA	NA	NA	NA
Status - (Deficit)	(432.93)	(338.39)	(301.64)	(255.68)	(235.21)
Experience gain / (loss) adjustments on plan liabilities	7.25	(12.16)	32.66	33.20	14.37
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA	NA

These plans typically expose the Company to actuarial risks are as follows:

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (Or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk*	The Scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated.

\* Not applicable for Pension fund

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

##### DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

32.5.b The Company offers the following employee benefit schemes to its employees:(Contd.)

##### Sensitivity Analysis

The increase/ (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

Particulars	Pension		Post Employment medical Benefits		Compensated absences		Gratuity	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
DBO at March 31 with discount rate +0.5 %	4.74	5.1	11.16	10.27	18.18	7.33	115.85	94.76
DBO at March 31 with discount rate -0.5%	(4.99)	(0.32)	(12.04)	(11.06)	(19.58)	(7.64)	(125.66)	(102.67)
DBO at March 31 with +1% salary escalation	N/A	N/A	N/A	N/A	(40.70)	(10.86)	(258.28)	(212.83)
DBO at March 31 with -1% salary escalation	N/A	N/A	N/A	N/A	35.70	10.09	224.62	183.63
DBO at March 31 with +1% benefit increase	N/A	N/A	(3.28)	(3.13)	N/A	N/A	N/A	N/A
DBO at March 31 with -1% benefit increase	N/A	N/A	3.28	3.14	N/A	N/A	N/A	N/A

#### 32.6 Segment information

The Company is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products and small home appliances which come under a **single business segment known as Consumer Goods**. The financial performance relating to this single business segment is evaluated regularly by the Managing Director and Chief Financial Officer (Chief Operating Decision Makers). Sale outside India is below the reportable threshold limit, thus geographical segment information is not given.

#### 32.7 Related party transactions

32.7.a Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Everspark Hong Kong Private Limited Greendale India Limited (formerly known as Litez India Limited ) Novener SAS (liquidated during the year ended March 31, 2016)
Investor Company (for which the Company is an associate)	Williamson Magor & Co. Limited
Employee Benefit Trusts	Eveready India Managerial Staff Pension Fund Eveready India Managerial Staff Gratuity Fund Eveready India Employees Gratuity Fund Eveready India Staff Provident Fund
Key Management Personnel (KMP)	
Executive directors	Mr. Suvamoy Saha Mr. Amritanshu Khaitan
Non-executive directors	Mr. Brij Mohan Khaitan Mr. Aditya Khaitan Mr. Subir Ranjan Dasgupta Mr. Sanjiv Goenka Mrs. Ramni Nirula Mr. Sudipto Sarkar
Relatives of KMP with whom the Company had transactions during the year	Ms. Yashodhara Khaitan - Mother of Mr. Amritanshu Khaitan Ms. Isha Khaitan - Spouse of Mr. Amritanshu Khaitan Ms. Nitya Bangur - Sister of Mr. Amritanshu Khaitan Ms. Apurvi Khaitan - Daughter of Mr. Aditya Khaitan

Note: Related parties have been identified by the management

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

32.7.b Details of related party transactions during the year ended March 31, 2017 and balances outstanding as at March 31, 2017:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
		₹ Lakhs
<b>Subsidiaries</b>		
(i) Everspark Hong Kong Private Limited		
Purchase of goods	4,653.75	3,943.35
Reimbursement of expenses	57.40	53.82
Outstanding as at the year end		
Trade payables (as at April 1, 2015: ₹ 2,578.57 lakhs)	2,461.47	1,651.19
Guarantees and collaterals(as at April 1, 2015: ₹ 3,125.00 lakhs)	3,242.75	3,312.63
(ii) Greendale India Limited (formerly known as Litez India Limited)		
Purchase of goods	9.46	-
Outstanding as at the year end		
Trade payables (as at April 1, 2015: ₹ Nil lakhs)	10.82	-
Advances (as at April 1, 2015: ₹ 6.83 lakhs)	41.90	16.72
(iii) Novener SAS (liquidated during the year ended March 31, 2016)		
Outstanding as at the year end		
Loans (as at April 1, 2015: ₹ 2,973.27 lakhs)	-	2,973.27
Investor Company (for which the Company is an associate)		
Williamson Magor & Co. Limited		
Reimbursement of expenses	1.29	1.23
Rendering of services	180.00	180.00
Rent paid	3.00	-
Outstanding as at the year end		
Trade payables (as at April 1, 2015: ₹ 30.48 lakhs)	31.50	31.35
Employee Benefit Trusts		
Eveready India Managerial Staff Pension Fund	287.00	257.50
Eveready India Managerial Staff Gratuity Fund	156.00	104.00
Eveready India Employees Gratuity Fund	132.00	88.00
Eveready India Staff Provident Fund	287.04	244.39
Contribution to employment benefit plans	862.04	693.89
Key Management Personnel (KMP)		
Executive Directors		
Mr. Suvamoy Saha		
Short-term benefits	235.82	219.31
Post employment benefits*	28.44	26.46
Remuneration	264.26	245.77
Outstanding as at the year end		
Loans (as at April 1, 2015: ₹ 9.34 lakhs)	3.48	6.42
Mr. Amritanshu Khaitan		
Short-term benefits	280.34	257.23
Post employment benefits*	34.56	31.51
Remuneration	314.90	288.74
Non-executive Directors		
Mr. Brij Mohan Khaitan	1.00	-
Mr. Aditya Khaitan	1.00	-



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

32.7.b Details of related party transactions during the year ended March 31, 2017 and balances outstanding as at March 31, 2017:(Contd.)

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Mr. Subir Ranjan Dasgupta	1.00	-
Mr. Sanjiv Goenka	1.00	-
Mrs. Ramni Nirula	1.00	-
Mr. Sudipto Sarkar	1.00	-
Commission paid	6.00	-
Relatives of KMP with whom the Company had transactions during the year		
Rent paid		
Ms. Yashodhara Khaitan	1.41	-
Ms. Isha Khaitan	3.06	-
Ms. Nitya Bangur	4.70	-
Ms. Apurvi Khaitan	3.06	-
Remuneration		
Ms. Apurvi Khaitan	2.04	-

\* As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to KMP are not included.

#### 32.8 Earnings per share

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>32.8.a Basic</b>		
Profit for the year ₹ in Lakhs	9,363.38	6,907.61
Weighted average number of equity shares	72,687,260	72,687,260
Par value per share ₹	5.00	5.00
Earnings per share - Basic ₹	12.88	9.50
<b>32.8.b Diluted</b>		
The diluted earnings per share has been computed by dividing the profit for the year available for Equity Shareholders by the weighted average number of equity shares.		
Profit for the year ₹ in Lakhs	9,363.38	6,907.61
Weighted average number of equity shares for basic EPS	72,687,260	72,687,260
Weighted average number of equity shares for diluted EPS	72,687,260	72,687,260
Par value per share ₹	5.00	5.00
Earnings per share - Diluted ₹	12.88	9.50

#### 32.9 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, gender equality,empowerment of women and promoting sports- National & Olympic. The expenditure incurred (Refer Note 30) during the year on these activities are as specified in schedule VII on the Companies Act, 2013.

(a) Gross amount required to be spent by the Company during the year ₹ 92.67 Lakhs

(b) Amount spent during the year on:

₹ Lakhs

Particulars	For the year ended March 31, 2017		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	93.32	-	93.32
<b>Total</b>	<b>93.32</b>	<b>-</b>	<b>93.32</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.10 Details of research and development expenditure recognised as an expense

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Employee benefit expense	250.77	235.77
Consumables	29.64	44.88
Travelling expenses	39.51	34.41
Rent	4.21	3.81
Others	122.46	85.71
<b>Total</b>	<b>446.59</b>	<b>404.58</b>

##### 32.11 Financial Instruments

###### 32.11.1 Capital management

The Company's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Company also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Company to contain / reduce the cost of capital.

###### 32.11.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Debt (A)	19,673.44	18,726.46	20,770.67
Cash and bank balance(B)	310.23	269.23	267.38
<b>Net debt (A-B)</b>	<b>19,363.21</b>	<b>18,457.23</b>	<b>20,503.29</b>
<b>Total Equity</b>	<b>28,952.83</b>	<b>20,636.03</b>	<b>14,609.03</b>
Net debt to equity ratio (%)	66.88%	89.44%	140.35%

###### 32.11.2 Categories of financial instruments

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Financial assets</b>			
<b>Measured at fair value through profit or loss (FVTPL)</b>			
Investments designated at fair value through profit or loss (FVTPL)	0.06	0.07	0.09
<b>Measured at amortised cost</b>			
(a) Cash and bank balances	310.23	269.23	267.38
(b) Other financial assets at amortised cost	10,315.21	11,967.46	6,418.04
<b>Measured at deemed cost</b>			
Investment in subsidiaries	265.59	265.59	265.59
<b>Financial liabilities</b>			
Measured at amortised cost			
Financial liabilities measured at amortised cost	45,479.60	40,989.37	44,882.67

###### 32.11.3 Financial risk management objectives

The Company endeavours to manage the financial risks related to its operations through specified policies, which deals with various market risks (foreign currency exchange risk, interest rate risks and commodity price risks), credit risks and liquidity risks. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments like foreign exchange forward contracts, commodity future and option contracts, maintaining proper mix between fixed and floating rate of borrowings are undertaken to hedge the various financial risks as per guidelines set in those policies. Credit risk management is done through managing credit limits and transactions through letters of credit. Liquidity risk is managed through availability of committed credit lines and borrowing facilities.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.11.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices in international markets. The Company enters into foreign exchange forward contracts and commodities future contracts to manage its market risks.

##### 32.11.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within the approved policy utilising forward foreign exchange contracts

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

Particulars	₹ Lakhs					
	Liabilities			Assets		
	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015
USD	5,468.38	5,263.83	6,185.28	88.37	353.38	338.25
JPY	1.60	-	1.44	-	-	-
HKD	55.94	53.82	42.27	-	-	-

##### 32.11.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency US Dollar, Japanese Yen and Hong Kong Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Company's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit before tax where the INR (₹) strengthens 5% against the relevant currency. For a 5% weakening of the INR (₹) against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
US Dollar		
Impact on profit or loss for the year	146.45	188.90
Japanese Yen		
Impact on profit or loss for the year	0.08	-
Hong Kong Dollar		
Impact on profit or loss for the year	2.80	2.69

It is the policy of the Company to enter into foreign exchange forward contracts to cover foreign currency payments for known liabilities, all foreign currency loans and receipts, all of which covers approximately 40% to 50% of the exposure generated.

##### 32.11.5.2 Forward Foreign Exchange Contract

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments for known liabilities, all foreign currency loans and receipts, all of which covers approximately 40% to 50% of the exposure generated.

The following table details the forward foreign exchange contracts outstanding at the end of the reporting period:

Outstanding Forward Contracts	₹ Lakhs											
	Average Exchange rate			Foreign Currency In lakhs			Nominal Amounts			Fair Value assets / (liabilities)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Buy USD												
Less than 3 months	67.09	65.46	61.17	21.47	16.06	19.11	1,440.54	1,050.99	1,168.74	(64.29)	(7.28)	(17.69)
3 to 6 months	67.09	65.46	61.17	16.32	2.53	14.67	1,094.94	165.60	897.30	(36.47)	(5.32)	(2.95)
Sell USD												
Less than 3 months	67.09	65.46	61.17	-	1.49	0.87	-	97.53	53.22	-	1.32	(0.34)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.11.5.2 Forward Foreign Exchange Contract (Contd.)

The line-items in the balance sheet that includes the above hedging instruments are "Other financial assets" and "Other financial liabilities". The Company has entered into forward foreign exchange contracts (for terms not exceeding 6 months) to hedge the exchange rate risk arising from the outstanding payables and receivables.

##### 32.11.6 Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

##### 32.11.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (borrowings) at the end of the reporting period. For liabilities with floating rate, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's:

- profit before tax for the year ended March 31, 2017 would decrease/increase by ₹ 90.14 lakhs (for the year ended March 31, 2016: decrease/increase by ₹ 180.85 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

##### 32.11.7 Commodity price risk management

The Company is exposed to commodity price risk, mainly in respect of Zinc, which is a key raw material in the manufacture of batteries. The price risk is linked to fluctuations in London Metal Exchange (LME). The Company manages the price risk by entering into derivative transactions by use of futures and options upto 50% of the total exposure generated.

The carrying amounts of the Company's future contracts monetary assets and monetary liabilities at the end of reporting period are as follows:

Particulars	₹ Lakhs					
	Liabilities			Assets		
	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015
USD	-	27.14	93.43	29.99	174.79	-

##### 32.11.7.1 Future Commodities Contract

The following table details the future contracts outstanding at the end of the reporting period:

Outstanding Contracts	Average Exchange rate		Future contract value in lakhs				Nominal Amounts			Fair Value assets / (liabilities)		
	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
<b>Future Contracts</b>												
<b>Buy Contracts</b>												
Less than 3 months	67.09	65.46	61.17	8.29	5.44	12.47	556.33	356.12	762.66	29.99	59.59	(23.20)
3 to 6 months	67.09	65.46	61.17	-	10.92	12.53	-	714.78	766.12	-	58.54	(23.76)
More than 6 months	67.09	65.46	61.17	-	2.74	25.21	-	179.21	1,541.84	-	54.81	(46.47)
<b>Sell Contracts</b>												
Less than 3 months	67.09	65.46	61.17	-	5.44	-	-	355.76	-	-	(27.14)	-
3 to 6 months	67.09	65.46	61.17	-	-	-	-	-	-	-	-	-
More than 6 months	67.09	65.46	61.17	-	8.22	-	-	538.16	-	-	1.85	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.11.7.2 Commodity price sensitivity analysis

The sensitivity analysis is determined based on outstanding future and option positions at the end of each reporting period. A \$100 increase or decrease is used when reporting Zinc price risk to key management personnel and represents management's assessment of the reasonably possible change in Zinc price on LME.

If Zinc price had been \$100 higher/lower and all other variables were held constant, the Company's:

- profit before tax for the year ended March 31, 2017 would decrease/increase by ₹ 19.46 lakhs (for the year ended March 31, 2016: decrease/increase by ₹ 69.55 Lakhs)

##### 32.11.8 Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counter parties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counter party did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at March 31, 2017, an amount of ₹ 3,242.75 lakhs (as at March 31, 2016: ₹ 3,312.63 lakhs and as at April 1, 2015; ₹ 3,125.00 lakhs) and other bank guarantees amounts to ₹ 593.78 lakhs as at March 31, 2017 (as at March 31, 2016: ₹ 732.15 lakhs and as at April 1, 2015; ₹ 208.94 lakhs) has been considered as contingent liabilities (see note 32.1). These financial guarantees have been issued to banks under the supply agreements entered into with certain vendors.

##### 32.11.8.1 Collateral held as security and other credit enhancements

The Company does not collect any collateral or other credit enhancements to cover its credit risks associated with its financial assets

##### 32.11.9 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The below table sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

##### 32.11.9.1 Liquidity risk tables

a) Expected maturity for non-derivative financial liabilities

Particulars					₹ Lakhs
	Less than 1 month	1-3 months	3 months to 1 year	More than 1 year	Total
<b>March 31, 2017</b>					
Trade Payables	12,398.02	5,454.78	6,137.75	-	23,990.55
Other liabilities	526.95	0.39	792.78	394.73	1,714.85
Borrowings	4,625.89	1,202.74	4,391.64	9,453.18	1,9673.44
<b>March 31, 2016</b>					
Trade Payables	13,843.17	3,721.33	3,579.50	-	21,144.00
Other liabilities	501.60	69.51	141.79	394.73	1,107.63
Borrowings	7,162.66	1,553.65	3,358.26	6,651.90	18,726.47
<b>April 1, 2015</b>					
Trade Payables	11,735.96	7,078.07	3,920.98	-	22,735.01
Other liabilities	469.04	110.42	288.37	394.73	1,262.56
Borrowings	5,490.34	4,618.18	5,406.98	5,255.18	20,770.68

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.11.9.1 Liquidity risk tables (Contd.)

b) Expected maturity for derivative financial instruments

	Less than 1 month	1-3 months	3 months to 1 year	₹ Lakhs Total
<b>March 31, 2017</b>				
-foreign exchange forward contracts (gross settled)	25.34	89.63	36.47	151.44
-future commodity contracts (net settled)	(9.66)	(20.33)	-	(29.99)
<b>March 31, 2016</b>				
-foreign exchange forward contracts (gross settled)	2.10	8.06	5.32	15.48
-future commodity contracts (gross settled)	(7.24)	(25.21)	(115.20)	(147.65)
<b>April 1, 2015</b>				
-foreign exchange forward contracts (gross settled)	2.85	20.89	2.95	26.69
-future commodity contracts (gross settled)	4.27	18.93	70.23	93.43

##### 32.11.10 Financing facilities

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured bill acceptance facility, reviewed	6,250.00	6,250.00	4,000.00
- amount used	2,520.86	1,392.27	1,630.70
- amount unused	3,729.14	4,857.73	2,369.30
Secured bank overdraft facility	13,000.00	13,000.00	12,000.00
- amount used	4,734.92	5,785.17	10,437.97
- amount unused	8,265.08	7,214.83	1,562.03
Secured letter of credit/ Bank Guarantee	12,000.00	12,000.00	10,000.00
- amount used	2,605.15	3,439.62	2,019.74
- amount unused	9,394.85	8,560.38	7,980.26
Secured bank loan facilities with various maturity dates through to March 31, 2018 and which may be extended by mutual agreement	18,000.00	24,250.00	14,500.00
- amount used	16,200.00	15,700.00	14,500.00
- amount unused	1,800.00	8,550.00	-

##### 32.11.11 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities

##### 32.11.11.1 Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined:

Financial assets/ (liabilities)

Particulars	₹ Lakhs			Fair value hierarchy (Levels)	Valuation techniques and key inputs
	As at March 31, 2017	Fair value as at As at March 31, 2016	As at April 1, 2015		
1) Foreign currency commodity future contracts designated as cash flow hedges	29.99	147.65	(93.43)	Level 2	Discounted cash flow
2) Foreign currency forward contracts other than designated as cash flow hedges	(100.76)	(11.28)	(20.98)	Level 2	Discounted cash flow
3) Investments in Equity instruments	0.06	0.07	0.09	Level 1	Quoted bid prices in an active market

Note There are no transfers from Level 1 and Level 2 during the year end March 31, 2017

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.11.11.2 Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Fair value hierarchy (Levels)	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
₹ Lakhs							
<b>Financial assets at amortised cost :</b>							
Loan to related party	Level 3	0.27	0.09	3.21	2.87	6.13	5.42
Loan to employees	Level 3	153.54	116.68	179.78	123.64	182.23	134.48
<b>Total</b>		<b>153.81</b>	<b>116.77</b>	<b>182.99</b>	<b>126.52</b>	<b>188.36</b>	<b>139.90</b>
<b>Financial liabilities held at amortised cost:</b>							
Borrowings	Level 3	9,453.18	8,382.12	6,651.90	5,993.58	5,255.19	4,621.73
<b>Total</b>		<b>9,453.18</b>	<b>8,382.12</b>	<b>6,651.90</b>	<b>5,993.58</b>	<b>5,255.19</b>	<b>4,621.73</b>

The fair values of the financial assets and financial liabilities included in the level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counter parties.

##### 32.12 Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016

As per Notification GSR 308(E) dated 30.3.2017 issued by Ministry of Corporate Affairs, the details of specified bank notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 are tabulated below:

Particulars	SBNs		Other denomination notes	Total
Closing cash in hand as on November 8, 2016	12.37		17.13	29.50
Add: Cash balances with employees	0.18		-	0.18
Add: Permitted receipts	-		53.06	53.06
Less : Permitted payments	-		43.97	43.97
Less: Amount deposited into Bank	12.55		-	12.55
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>		<b>26.22</b>	<b>26.22</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### 32.13 First-time Ind AS adoption reconciliation

##### A. Effect of Ind AS adoption on the Balance Sheet as at March 31, 2016 and April 1, 2015

Particulars	Notes	As at March 31, 2016 (end of last year presented under previous GAAP)			As at April 1, 2015 (Date of transition)		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet
₹ Lakhs							
<b>A. ASSETS</b>							
<b>1 Non-current assets</b>							
(a) Property, plant and equipment	(a)	22,976.28	(1,070.87)	21,905.41	21,433.43	(1,090.58)	20,342.85
(b) Capital work-in-progress		2,099.99	-	2,099.99	2,774.54	-	2,774.54
(c) Investment property		5.64	-	5.64	5.64	-	5.64
(d) Intangible assets	(b)	46,498.60	(46,200.00)	298.60	48,197.09	(47,850.00)	347.09
(e) Intangible assets under development		107.43	-	107.43	4.80	-	4.80
(f) Financial Assets							
(i) Investments	(c)	265.59	0.07	265.66	265.59	0.09	265.68
(ii) Loans		182.99	-	182.99	188.36	-	188.36
(iii) Other financial assets		644.11	-	644.11	449.58	-	449.58
(g) Non-current tax assets		131.84	-	131.84	119.75	-	119.75
(h) Other non-current assets	(a),(d)	2,231.80	997.34	3,229.14	2,827.53	266.34	3,093.87
(i) Deferred tax assets (net)		9.57	-	9.57	-	-	-
<b>Total Non-current assets</b>		<b>75,153.84</b>	<b>(46,273.46)</b>	<b>28,880.38</b>	<b>76,266.31</b>	<b>(48,674.15)</b>	<b>27,592.16</b>
<b>2 Current assets</b>							
(a) Inventories		23,741.08	-	23,741.08	25,954.74	-	25,954.74
(b) Financial Assets							
(i) Trade receivables		7,053.99	-	7,053.99	4,891.84	-	4,891.84
(ii) Cash and cash equivalents		206.65	-	206.65	218.21	-	218.21
(iii) Other balances with banks		62.58	-	62.58	49.17	-	49.17
(iv) Loans		3,627.35	-	3,627.35	56.26	-	56.26
(v) Other financial assets		459.02	-	459.02	832.00	-	832.00
(c) Other current assets	(a),(d)	2,688.44	(10.95)	2,677.49	4,291.56	(6.03)	4,285.53
<b>Total current assets</b>		<b>37,839.11</b>	<b>(10.95)</b>	<b>37,828.16</b>	<b>36,293.78</b>	<b>(6.03)</b>	<b>36,287.75</b>
<b>TOTAL ASSETS</b>		<b>1,12,992.95</b>	<b>(46,284.41)</b>	<b>66,708.54</b>	<b>1,12,560.09</b>	<b>(48,680.18)</b>	<b>63,879.91</b>
<b>B. EQUITY AND LIABILITIES</b>							
<b>1 Equity</b>							
(a) Equity Share capital		3,634.36	-	3,634.36	3,634.36	-	3,634.36
(b) Other Equity	(b),(c),(d)	62,331.38	(45,329.71)	17,001.67	58,843.53	(47,868.86)	10,974.67
<b>Total equity</b>		<b>65,965.74</b>	<b>(45,329.71)</b>	<b>20,636.03</b>	<b>62,477.89</b>	<b>(47,868.86)</b>	<b>14,609.03</b>
<b>Liabilities</b>							
<b>2 Non-current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	(d)	6,695.54	(43.64)	6,651.90	5,280.90	(25.71)	5,255.19
(ii) Other financial liabilities		394.73	-	394.73	394.73	-	394.73
(b) Provisions		545.18	-	545.18	537.63	-	537.63
(c) Deferred tax liabilities (net)		-	-	-	886.49	(765.33)	121.16
<b>Total non-current liabilities</b>		<b>7,635.45</b>	<b>(43.64)</b>	<b>7,591.81</b>	<b>7,099.75</b>	<b>(791.04)</b>	<b>6,308.71</b>
<b>3 Current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	(d)	7,177.53	6.31	7,183.84	12,068.26	14.81	12,083.07
(ii) Trade payables		21,144.00	-	21,144.00	22,735.01	-	22,735.01
(iii) Other financial liabilities	(d),(e)	5,637.05	(22.15)	5,614.90	4,432.23	(17.56)	4,414.67
(b) Other current liabilities	(e)	2,303.29	(20.38)	2,282.91	1,881.60	(17.53)	1,864.07
(c) Provisions	(f)	2,003.53	(874.84)	1,128.69	928.45	-	928.45
(d) Current Tax Liabilities (net)		1,126.36	-	1,126.36	936.90	-	936.90
<b>Total current liabilities</b>		<b>39,391.76</b>	<b>(911.06)</b>	<b>38,480.70</b>	<b>42,982.45</b>	<b>(20.28)</b>	<b>42,962.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,12,992.95</b>	<b>(46,284.41)</b>	<b>66,708.54</b>	<b>1,12,560.09</b>	<b>(48,680.18)</b>	<b>63,879.91</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### B. Reconciliation of total equity as at March 31, 2016 and April 1, 2015

₹ Lakhs			
Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)	As at April 1, 2015 (Date of transition)
<b>Total equity under Previous GAAP</b>		<b>65,965.74</b>	<b>62,477.89</b>
a) Eveready Brand derecognition	(b)	(47,850.00)	(47,850.00)
b) Effect of amortization on derecognition of Eveready Brand	(b)	1,650.00	-
c) Effect of recognizing interest expense on Term loan as per effective interest method	(d)	(13.72)	(15.49)
d) Effect of recognizing derivative instruments other than designated as Cash Flow Hedge at Fair Value	(e)	9.10	(3.47)
e) Final Dividend (including tax thereon) recognized in the period when declared in general meeting	(f)	874.84	-
f) Effect of recognizing investment at fair value through profit and loss	(c)	0.07	0.09
<b>Total effect of conversion to Ind AS</b>		<b>(45,329.71)</b>	<b>(47,868.86)</b>
<b>Total equity under Ind AS</b>		<b>20,636.03</b>	<b>14,609.03</b>

##### C. Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2016

₹ Lakhs				
Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS
Revenue from operations		1,39,423.39	-	1,39,423.39
Less: Excise Duty		7060.04	(7,060.04)	-
<b>1 Revenue from operations (net)</b>	(g)	<b>1,32,363.35</b>	<b>7,060.04</b>	<b>1,39,423.39</b>
<b>2 Other income</b>		776.81	-	776.81
<b>3 Total Income (1+2)</b>		<b>1,33,140.16</b>	<b>7,060.04</b>	<b>1,40,200.20</b>
<b>4 Expenses</b>				
(a) Cost of materials consumed		57,615.42	-	57,615.42
(b) Purchases of stock-in-trade (traded goods)		23,622.66	-	23,622.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		1,636.37	-	1,636.37
(d) Excise duty	(g)	-	7,060.04	7,060.04
(e) Employee benefit expense	(h)	13,156.14	(151.11)	13,005.03
(f) Finance costs	(d)	3,050.28	(15.41)	3,034.87
(g) Depreciation and amortisation expenses	(a),(b)	3,059.30	(1,669.73)	1,389.57
(h) Other expenses	(a),(e)	24,250.28	20.83	24,271.11
<b>Total expenses</b>		<b>1,26,390.45</b>	<b>5,244.62</b>	<b>1,31,635.07</b>
<b>5 Profit before tax (3 - 4)</b>		<b>6,749.71</b>	<b>1,815.42</b>	<b>8,565.13</b>
<b>6 Tax expense:</b>				
(a) Current tax expense	(h)	1,815.85	32.25	1,848.10
(b) Minimum alternate tax utilized		(344.32)	-	(344.32)
(c) Net current tax expense		1,471.53	32.25	1,503.78
(d) Deferred tax	(i)	213.59	(59.85)	153.74
<b>Net tax expense (c + d)</b>		<b>1,685.12</b>	<b>(27.60)</b>	<b>1,657.52</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### C. Effect of Ind AS Adoption on the statement of profit and loss for the year ended March 31, 2016 (Contd.)

Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>7 Profit for the year (5 - 6)</b>		<b>5,064.59</b>	<b>1,843.02</b>	<b>6,907.61</b>
<b>8 Other comprehensive income</b>				
i) Items that will not be reclassified to profit or loss				
a) Remeasurement loss on defined benefit plans	(h)	-	(151.11)	(151.11)
b) Income tax related to above	(h)	-	32.25	32.25
ii) Items that will be reclassified to profit or loss				
a) Effective portion of gain on hedging instrument in cash flow hedge reserve	(i)	-	172.94	172.94
b) Income tax related to above	(i)	-	(59.85)	(59.85)
Total other comprehensive income		-	(5.77)	(5.77)
<b>9 Total comprehensive income (7 + 8)</b>		<b>5,064.59</b>	<b>1,837.25</b>	<b>6,901.84</b>

₹ Lakhs

##### D. Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)	
		Previous GAAP	Ind AS
<b>1. Net Profit after tax as reported under previous GAAP</b>			<b>5,064.59</b>
Adjustments related to Ind AS transition			
a) Effect of amortisation on de-recognition of Eveready brand	(b)		1,650.00
b) Effect of recognising interest expense on term loan as per effective interest method	(d)		1.77
c) Effect of recognizing derivative instruments other than designated as cash flow hedge at fair value	(e)		12.56
d) Effect of Actuarial loss on defined benefit plans taken to other comprehensive income (net of tax)	(h)		118.86
e) Effect of deferred tax on cash flow hedge reserve taken to other comprehensive income	(i)		59.85
f) Effect of fair valuation of investment through profit and loss	(c)		(0.02)
<b>2. Total effect on conversion to Ind AS</b>			<b>1,843.02</b>
<b>3. Profit after tax as reported under Ind AS (1+2)</b>			<b>6,907.61</b>
4. Other comprehensive income (net of tax)	(h),(i)		(5.77)
<b>5. Total comprehensive income as reported under Ind AS (3+4)</b>			<b>6,901.84</b>

₹ Lakhs

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD)

##### E. Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016

₹ Lakhs

Particulars	Notes	As at March 31, 2016 (end of last year presented under previous GAAP)		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS
A. Net cash generated from operating activities		11,591.13	-	11,591.13
B. Net cash used in investing activities		(5,647.18)	-	(5,647.18)
C. Net cash used in financing activities	(j)	(5,955.51)	(1,101.02)	(7,056.53)
<b>Net decrease in cash and cash equivalents(A+B+C)</b>		<b>(11.56)</b>	<b>(1,101.02)</b>	<b>(1,112.58)</b>
Cash and cash equivalents at the beginning of the year	(j)	218.21	(4,198.51)	(3,980.30)
<b>Cash and cash equivalents at the end of the year</b>		<b>206.65</b>	<b>(5,299.53)</b>	<b>(5,092.88)</b>

##### F. Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purposes of Statement of Cash Flow under Ind AS

Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)	As at April 1, 2015 (Date of transition)
Cash and cash equivalents as per statement of cash flows as per previous GAAP		206.65	218.21
Bank overdrafts and cash credit	(j)	(5,299.53)	(4,198.51)
<b>Cash and cash equivalents as per statement of cash flows under Ind AS</b>		<b>(5,092.88)</b>	<b>(3,980.30)</b>

#### Explanation to first-time Ind AS adoption reconciliation

Sl No	Particulars
(a)	Under previous GAAP, one time lease premium payments for operating leases were capitalized and included in property, plant and equipment and depreciation charged thereon over the lease term. Under Ind AS 17 "Leases", such payments have been classified and accounted for as prepaid expenses, under other assets (current and non-current) in the Balance Sheet. As a result of this, property, plant and equipment as at March 31, 2016 and April 1, 2015 has reduced by ₹ 1,070.87 Lakhs and ₹ 1,090.58 Lakhs respectively and depreciation expense for the year ended March 31, 2016 has reduced by ₹ 19.73 Lakhs, with corresponding increase in other expenses for the period ended March 31, 2016.
(b)	Value of Eveready brand as at April 1, 2015 (the transition date) was de-recognised since Ind AS 38 "Intangible Assets" does not allow recognition of internally generated brands. Therefore, value of the brand as at April 1, 2015 of ₹ 47,850 Lakhs has been de-recognised. Based on expert opinion, the de-recognition was adjusted against general reserve and retained earnings. Consequently, intangible assets as at March 31, 2016 and April 1, 2015 has reduced by ₹ 46,200 Lakhs and ₹ 48,750 Lakhs respectively and depreciation expense for the year ended March 31, 2016 has reduced by ₹ 1,650 lakhs, with corresponding increase in equity as at March 31, 2016.
(c)	As per Ind AS 109 "Financial Instruments", investment in other equity has been measured at fair value through profit and loss. This has increased the carrying value of investment as at March 31, 2016 and April 1, 2015 by ₹ 0.07 Lakhs and ₹ 0.09 Lakhs respectively, with corresponding increase in equity to the same extent for respective years. Accordingly, profit for the year ended March 31, 2016 has reduced by ₹ 0.02 lakhs.
(d)	Under previous GAAP, the transaction costs incurred on the borrowings were amortised and charged to profit and loss over the tenure of the borrowings. The unamortised costs were included in loans and advances. Under Ind AS 109 "Financial Instruments", the transaction costs are included in the borrowings on initial recognition and have been charged to profit and loss using effective interest method.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note Particulars

#### Explanation to first-time Ind AS adoption reconciliation (Contd.)

Sl No	Particulars
(e)	Under previous GAAP, open foreign exchange forward contracts other than designated as cash flow hedges as at each Balance Sheet date were restated at the year end rates. Under Ind AS 109 "Financial Instruments", such contracts have been marked-to-market at each Balance Sheet date.
(f)	Under Previous GAAP, proposed dividend (including dividend distribution tax thereon) was recognised as a provision in the year to which it relates, irrespective of when it is declared. Under Ind AS, dividend (including dividend distribution tax thereon) is recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company. The impact of this change is an increase in total equity by ₹ 874.84 Lakhs as at March 31, 2016, although this does not affect profit before tax and profit for the year ended March 31, 2016.
(g)	Under previous GAAP, excise duty was netted off against sale of goods. However, under Ind AS, excise duty is included in sale of goods and is separately presented as expense on the face of Statement of Profit and Loss. Thus, sale of goods under Ind AS has increased with a corresponding increase in expenses.
(h)	Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS 19 "Employee Benefits", actuarial gains and losses (including the tax effect on the same) have been recognised in other comprehensive income. This change has resulted in increase in profit for the year ended March 31, 2016 by ₹ 118.86 Lakhs (net of income tax of ₹ 32.25 Lakhs).
(i)	Under previous GAAP, effective portion of changes in value of derivative contracts designated as cash flow hedges were recognised directly in cash flow hedge reserve under reserves and surplus. Under Ind AS, the same is recognised under other equity as part of other comprehensive income.
(j)	Under previous GAAP, movement in cash credit facilities, repayable on demand were reflected in cash flows from financing activities. Under Ind AS, such cash credit facilities are included in cash and cash equivalents for the purpose of presentation of cash flows.
(k)	Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of expenses, incomes, losses and gains are required to be presented in other comprehensive income

### 32.14 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 30, 2017.

In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

For and on behalf of the Board of Directors

**Suvamoy Saha**  
Wholetime Director & CFO

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

**Amritanshu Khaitan**  
Managing Director

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of  
Eveready Industries India Limited**

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **EVEREADY INDUSTRIES INDIA LIMITED** (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Parent, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind

AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

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 below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Other Matters

- (a) We did not audit the financial statements of a subsidiary included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ₹ 24.51 Lakhs as at March 31, 2017, total revenues of ₹ 206.23 Lakhs and net cash inflows amounting to ₹ 0.67 Lakhs for the year ended on that date, as considered in the consolidated Ind AS 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 Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of an overseas subsidiary included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ₹ 246.12 Lakhs as at March 31, 2017, total revenues of ₹ NIL Lakhs and net cash outflows amounting to ₹ 195.05 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been prepared in accordance with accounting principle generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted these audited financial statements from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion on the consolidated Ind AS financial statements, is so far as it relates to the

amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based on the report of the other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

- (c) The comparative financial information for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 in respect of a subsidiary, included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.
- (d) The comparative financial information for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in the Statement in respect of an overseas subsidiary is based on the conversion adjustments made by the management of the Company to the audited financial statements for the year ended March 31, 2016 and March 31, 2015 prepared in accordance with that country's local GAAP, to comply with Ind AS have been audited by us.

Our opinion on the consolidated Ind AS 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

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of a subsidiary incorporated in India, referred in the Other Matters paragraph 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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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 Statement of Cash Flows and 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 Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed 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, 2017 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company, incorporated in India, none of the Directors of the Group companies is disqualified as on March 31, 2017 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 over financial reporting 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 company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's and subsidiary Company's incorporated in India internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 33.1(i) to the consolidated Ind AS Financial Statements.
  - 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 and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary Company incorporated in India.
  - iv. The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and the other auditors by the Management of the respective Group entities (Refer Note 33.10 to the consolidated Ind AS financial statements).

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 302009E)

**Abhijit Bandyopadhyay**  
(Partner)  
(Membership No. 054785)

Place: Kolkata  
Date: May 30, 2017

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting 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 Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **Eveready Industries India Limited** (hereinafter referred to as “Parent”) and its subsidiary company incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary company which is Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting 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.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary, which is Company 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 consolidated Ind AS 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 company incorporated in India, in terms of their reports 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 system over financial reporting of the Parent and its subsidiary company, which is company incorporated in India.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting 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 over financial reporting 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

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT (CONTD.)

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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which is Company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively

as at March 31, 2017, based on the internal control over financial reporting 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.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is Company incorporated in India, is based solely on the corresponding report of the auditor of such Company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm’s Registration No. 302009E)

**Abhijit Bandyopadhyay**  
(Partner)  
(Membership No. 054785)

Place: Kolkata  
Date: May 30, 2017



## CONSOLIDATED BALANCE SHEET

as at March 31, 2017

				₹ Lakhs
Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment	3	33,121.09	21,905.41	20,342.85
(b) Capital work-in-progress	3	318.32	2,099.99	2,774.54
(c) Investment property	4	5.64	5.64	5.64
(d) Intangible assets	5	289.05	298.60	347.09
(e) Intangible assets under development	5	321.66	107.43	4.80
(f) Financial assets				
(i) Investments	6	0.06	0.07	0.09
(ii) Loans	7	153.81	182.99	188.36
(iii) Other financial assets	8	521.91	644.11	449.58
(g) Non-current tax assets	9	161.78	131.97	119.86
(h) Other non-current assets	10	3,445.46	3,229.14	3,093.87
(i) Deferred tax assets (net)	20	-	9.57	-
<b>Total non-current assets</b>		<b>38,338.78</b>	<b>28,614.92</b>	<b>27,326.68</b>
<b>2 Current assets</b>				
(a) Inventories	11	28,443.53	23,805.77	25,954.74
(b) Financial assets				
(i) Trade receivables	12	8,386.66	7,053.98	4,891.84
(ii) Cash and cash equivalents	13A	495.08	651.36	658.84
(iii) Other balances with banks	13D	69.79	70.28	49.17
(iv) Loans	7	741.30	3,627.35	56.26
(v) Other financial assets	8	512.13	459.62	832.11
(c) Other current assets	10	3,541.31	2,661.72	4,279.23
<b>Total current assets</b>		<b>42,189.80</b>	<b>38,330.08</b>	<b>36,722.19</b>
<b>TOTAL ASSETS</b>		<b>80,528.58</b>	<b>66,945.00</b>	<b>64,048.87</b>
<b>B EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity share capital	14	3,634.36	3,634.36	3,634.36
(b) Other equity	15	25,315.83	16,995.33	10,957.21
<b>Equity attributable to owners of the Company</b>		<b>28,950.19</b>	<b>20,629.69</b>	<b>14,591.57</b>
<b>2 Non-controlling interests</b>	16	(0.04)	(0.05)	(0.03)
<b>Total Equity</b>		<b>28,950.15</b>	<b>20,629.64</b>	<b>14,591.54</b>
<b>Liabilities</b>				
<b>3 Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	17	9,453.18	6,651.90	5,255.19
(ii) Other financial liabilities	18A	394.73	394.73	394.73
(b) Provisions	19	653.43	545.18	537.63
(c) Deferred tax liabilities (net)	20	121.48	-	121.16
<b>Total non-current liabilities</b>		<b>10,622.82</b>	<b>7,591.81</b>	<b>6,308.71</b>
<b>4 Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	21	9,207.90	8,500.36	14,141.50
(ii) Trade payables	22	22,019.19	20,070.06	20,862.98
(iii) Other financial liabilities	18B	4,369.57	5,614.90	4,414.67
(b) Other current liabilities	24	2,657.28	2,283.13	1,864.07
(c) Provisions	19	1,350.10	1,128.69	928.45
(d) Current tax liabilities (net)	23	1,351.57	1,126.41	936.95
<b>Total current liabilities</b>		<b>40,955.61</b>	<b>38,723.55</b>	<b>43,148.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>80,528.58</b>	<b>66,945.00</b>	<b>64,048.87</b>

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

**Suvamoy Saha**  
Wholtime Director & CFO

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

**Amritanshu Khaitan**  
Managing Director

Consolidated

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

		₹ Lakhs	
Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
1 <b>Revenue from operations (gross)</b>	25	142,075.26	139,426.46
2 <b>Other income</b>	26	957.50	777.03
3 <b>TOTAL REVENUE (1 + 2)</b>		<b>143,032.76</b>	<b>140,203.49</b>
4 <b>Expenses</b>			
(a) Cost of materials consumed	27.a	54,469.36	57,615.42
(b) Purchases of stock-in-trade (traded goods)	27.b	34,603.67	23,689.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27.c	(5,117.94)	1,571.68
(d) Excise duty		6,351.15	7,060.04
(e) Employee benefit expense	28	14,422.35	13,005.03
(f) Finance costs	29	2,378.03	3,084.52
(g) Depreciation and amortisation expense	30	1,493.03	1,389.57
(h) Other expenses	31	23,972.46	24,227.43
<b>TOTAL EXPENSES</b>		<b>132,572.11</b>	<b>131,643.35</b>
5 <b>Profit before tax (3 - 4)</b>		<b>10,460.65</b>	<b>8,560.14</b>
6 <b>Tax expense</b>			
(a) Current tax expense		1,008.55	1,848.10
(b) Minimum alternate tax utilized		(341.28)	(344.32)
(c) Current tax expense (net)	32.a	667.27	1,503.78
(d) Deferred tax	32.a	440.54	153.74
<b>Net tax expense (c + d)</b>		<b>1,107.81</b>	<b>1,657.52</b>
7 <b>Profit for the year (5 - 6)</b>		<b>9,352.84</b>	<b>6,902.62</b>
8 <b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss			
a) Remeasurement loss on defined benefit plans	15.7	(119.67)	(151.11)
b) Income tax related to above	15.7	41.42	32.25
ii) Items that will be reclassified to profit or loss			
a) Effective portion of (loss)/gain on designated portion of hedging instrument in cash flow hedge	15.5	(142.95)	172.94
b) Income tax related to above	15.5	49.47	(59.85)
Total other comprehensive income for the year		(171.73)	(5.77)
9 <b>Total comprehensive income for the year (7 + 8)</b>		<b>9,181.11</b>	<b>6,896.85</b>
Profit for the year attributable to:			
- Owners of the Company		9,352.83	6,902.64
- Non-controlling interest		0.01	(0.02)
		<b>9,352.84</b>	<b>6,902.62</b>
Other comprehensive income for the year attributable to:			
- Owners of the Company		(171.73)	(5.77)
- Non-controlling interest		-	-
		<b>(171.73)</b>	<b>(5.77)</b>
Total comprehensive income for the year attributable to:			
- Owners of the Company		9,181.10	6,896.87
- Non-controlling interest		0.01	(0.02)
		<b>9,181.11</b>	<b>6,896.85</b>
10 <b>Earnings Per Share - of ₹ 5/- each</b>			
(a) Basic	33.6.a	12.87	9.50
(b) Diluted	33.6.b	12.87	9.50

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

**Suvamoy Saha**  
Wholetime Director & CFO**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

**Amritanshu Khaitan**  
Managing Director

## CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2017

₹ Lakhs

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax		10,460.65		8,560.14
<i>Adjustments for:</i>				
Depreciation and amortisation		1,493.03		1,389.57
Amortisation of lease payment as rent		19.73		19.73
Loss / (profit) on sale of property, plant and equipment		23.54		(1.60)
Finance costs		2,378.03		3,084.52
Interest income		(906.69)		(659.66)
Allowance for doubtful debts		84.01		89.00
Provisions no longer required written back		103.64		174.77
Provision for indirect taxes		(4.01)		(90.46)
Provision for estimated gain on derivatives		(47.06)		(46.37)
Net loss on fair valuation of investment through profit and loss		0.01		0.02
Net unrealised foreign exchange gain		(29.81)	3,114.42	(59.99)
<b>Operating profit before working capital changes</b>		<b>13,575.07</b>		<b>12,459.68</b>
Changes in working capital:				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories		(4,637.76)		2,148.97
Trade receivables		(1,474.37)		(2,119.89)
Loans (non-current and current)		50.76		(12.88)
Other assets (non-current and current)		(1,132.81)		1,899.80
Other financial assets (non-current and current)		69.69		177.56
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables		2,051.99		(762.81)
Other financial liabilities (non-current and current)		(104.57)		(89.80)
Other liabilities (non-current and current)		388.36		419.06
Provisions (non-current and current)		110.36	(4,678.35)	(27.63)
<b>Cash generated from operations</b>		<b>8,896.72</b>		<b>14,092.05</b>
Net income tax paid		(690.52)		(1,623.85)
<b>Net cash generated from operating activities (A)</b>		<b>8,206.20</b>		<b>12,468.20</b>

Consolidated

**CONSOLIDATED STATEMENT OF CASH FLOW**

for the year ended March 31, 2017

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments and intangible assets, including capital advances	(10,689.23)	(2,771.03)
Proceeds from sale of property, plant and equipment	128.75	27.14
Investment in fixed deposit	-	(7.50)
Loan given to others	(6,500.00)	(5,000.00)
Loan realised from others	10,000.00	1,500.00
Interest received	270.67	606.61
	(6,789.81)	(5,644.78)
<b>Net cash used in investing activities (B)</b>	<b>(6,789.81)</b>	<b>(5,644.78)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	6,750.00	6,733.20
Repayment of long-term borrowings	(5,956.64)	(3,817.84)
Net increase / (decrease) in working capital borrowings	2,554.40	(1,040.14)
Proceeds from other short-term borrowings	40,000.00	10,000.00
Repayment of other short-term borrowings	(40,700.00)	(15,800.00)
Finance cost	(2,296.34)	(3,157.88)
Dividends paid	(726.87)	(726.87)
Tax on dividend	(147.97)	(147.97)
	(523.42)	(7,957.50)
<b>Net cash used in financing activities (C)</b>	<b>(523.42)</b>	<b>(7,957.50)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>892.97</b>	<b>(1,134.08)</b>
Cash and cash equivalents at the beginning of the year	(4,648.17)	(3,539.67)
Effect of exchange differences on restatement of foreign currency	(3.87)	25.58
<b>Cash and cash equivalents at the end of the year - Refer Note 13C</b>	<b>(3,759.07)</b>	<b>(4,648.17)</b>
<b>See accompanying notes forming part of the consolidated financial statements</b>		

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

**Suvamoy Saha**  
Wholtime Director & CFO**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

**Amritanshu Khaitan**  
Managing Director

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2017

₹ Lakhs

### a) EQUITY SHARE CAPITAL

Balance as at April 1, 2015	3,634.36
Changes in equity share capital during the year	-
Balance as at March 31, 2016	3,634.36
Changes in equity share capital during the year	-
Balance as at March 31, 2017	3,634.36

### b) OTHER EQUITY

₹ Lakhs

Particulars	Reserves and Surplus						Items of other comprehensive income		Total
	Securities premium reserve	Capital reserve	Foreign currency translation reserve	Development allowance reserve	Amalgamation reserve	Retained earnings	Effective portion of cash flow hedge		
Balance as at April 1, 2015	16,412.11	12,356.60	(1.08)	3.50	300.42	(18,114.34)	-	10,957.21	
Profit for the year	-	-	-	-	-	6,902.64	-	6,902.64	
Effect of foreign exchange rate variation during the year	-	-	16.09	-	-	-	-	16.09	
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(118.86)	113.09	(5.77)	
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>6,783.78</b>	<b>113.09</b>	<b>6,912.96</b>	
Payment of interim dividend	-	-	-	-	-	(726.87)	-	(726.87)	
Payment of dividend distribution tax on above	-	-	-	-	-	(147.97)	-	(147.97)	
<b>Balance as at March 31, 2016</b>	<b>16,412.11</b>	<b>12,356.60</b>	<b>15.01</b>	<b>3.50</b>	<b>300.42</b>	<b>(12,205.40)</b>	<b>113.09</b>	<b>16,995.33</b>	
Profit for the year	-	-	-	-	-	9,352.83	-	9,352.83	
Effect of foreign exchange rate variation during the year	-	-	14.24	-	-	-	-	14.24	
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(78.25)	(93.48)	(171.73)	
<b>Total comprehensive income for the year</b>	-	-	<b>14.24</b>	-	-	<b>9,274.58</b>	<b>(93.48)</b>	<b>9,195.34</b>	
Payment of final dividend	-	-	-	-	-	(726.87)	-	(726.87)	
Payment of dividend distribution tax on above	-	-	-	-	-	(147.97)	-	(147.97)	
<b>Balance as at March 31, 2017</b>	<b>16,412.11</b>	<b>12,356.60</b>	<b>29.26</b>	<b>3.50</b>	<b>300.42</b>	<b>(3,805.66)</b>	<b>19.61</b>	<b>25,315.83</b>	

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Suvamoy Saha**  
Wholetime Director & CFO

**Amritanshu Khaitan**  
Managing Director

**Abhijit Bandyopadhyay**  
Partner

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata  
Date: May 30, 2017

Place: Kolkata  
Date: May 30, 2017

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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### 1 CORPORATE INFORMATION

Eveready Industries India Limited (“the Company”) and its subsidiaries (collectively referred to as “the Group”) is in the business of manufacture and marketing of batteries, flashlights and packet tea under the brand name of “Eveready”. The Group also distributes a wide range of electrical products and small home appliances. The Group is a Public Limited Group incorporated and domiciled in India with its registered office at 1, Middleton Street, Kolkata 700071. Eveready has its manufacturing facilities at Chennai, Lucknow, Noida, Haridwar, Maddur, Kolkata and Goalpara (Assam) and is supported by a sales and distribution network across the country.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended March 31, 2016, the Group prepared its consolidated financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These are the first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 2.21 for details of First-time adoption – mandatory exceptions and optional exemptions availed by the Group.

#### 2.2 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- (i) certain financial instruments that are measured at fair value and
- (ii) defined benefit plans- plan assets measured at fair value.

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 a 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. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### 2.3 Use of estimates and judgement

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Estimates have been used in provision for warranties, provision for employee benefits, allowance for expected credit loss on financial assets and useful lives of property, plant and equipment.

#### 2.4 Revenue recognition

##### Sale of goods:

Revenue from the sale of goods is recognised, net of returns and trade discount, when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue includes excise duty but exclude sales tax and value added tax.

### Interest income:

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

### 2.5 Foreign currency transactions and translations

The functional currency of the Group is Indian rupee (₹).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss.

Foreign operations: The exchange differences relating to foreign operations are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

### 2.6 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

### 2.7 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidy will be received.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

### 2.8 Employee benefits

#### 2.8.1 Retirement benefit costs and termination benefits:

##### (a) Defined contribution plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The following are the defined contribution plans:

**Provident Fund** - This is a defined contribution plan framed in accordance with Indian laws, in accordance with which eligible employees participate. Under the plan, both the employee and employer contribute monthly at a determined rate (currently upto 12 % of employee's salary). Contributions under the plan are made to the trust sponsored by the Group and the Pension Scheme framed by the Central Government.

##### (b) Defined benefit plan

For defined benefit retirement benefit plans, 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. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) 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.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. 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. The following are the defined benefit plans:

**Pension** - A defined benefit plan, the liability for which is determined on the basis of an actuarial valuation on the frozen corpus as at March 31, 2003 and thereafter on the basis of the Group's defined contribution scheme.

**Gratuity** - The Group has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is funded with trusts sponsored by the Group.

Defined benefit costs are categorised as follows:

- (i) service cost (including current service cost, past service cost, gains and losses on curtailment and settlement)
- (ii) net interest income or expense and
- (iii) remeasurement.

### 2.8.2 Short term employee benefits and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and other leaves in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of that related service.

Other employee benefits include Post Retirement Medical Benefits and compensated absences on separation, which are long term in nature. Both these benefits are unfunded and the liability for the same is determined by an independent actuarial valuation in accordance with the requirements of Ind AS 19 "Employee Benefits".

## 2.9 Income Tax

### 2.9.1 Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

### 2.9.2 Deferred tax

Deferred tax is recognised on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

### 2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or 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



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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Note	Particulars
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### 2.10 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its 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 on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

#### 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 Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Factory Building - 25 years

Plant and equipment (other than moulds-3 shifts) - 20 years

Plant and equipment (other than moulds-2 shifts) - 26.67 years

Plant and equipment (other than moulds-1 shift) - 40 years

Moulds - 3 years

Vehicles - 3 years

Leasehold land is amortised over the duration of the lease.

Freehold land is not depreciated, except for improvements to the land included therein.

The estimated useful lives of the assets, residual values and depreciation method are reviewed regularly and are revised, whenever necessary.

#### Capital work-in-progress

Projects under which assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal/retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised on April 1, 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

### 2.11 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising thereon (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised on April 1, 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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### 2.12 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

#### Intangible assets under development

Expenditure on Research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Consolidated Statement of Profit and Loss when the asset is de-recognised.

#### Useful lives of intangible assets

Patent and trademark are amortised over their legal term or working life, whichever is shorter.

Computer Software is amortised over the life of the software license

### 2.13 Impairment of tangible and intangible assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. However, the following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired: (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### 2.14 Inventories

Inventories of raw materials and stores and spare parts are valued at the lower of weighted average cost and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Work-in-progress and finished goods are valued at lower of cost and net realisable value where cost is worked out on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges alongwith appropriate proportion of overheads and, where applicable, excise duty.

Net realizable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

### 2.15 Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate of the consideration required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the consolidated financial statements.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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### Warranties

Provisions for service warranties and returns are recognised when the Group has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

### 2.16 Cash and cash equivalents

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

Bank overdraft and cash credit are also considered as part of cash and cash equivalents for the purpose of Consolidated Statement of Cash Flows.

### 2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 2.18 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 2.19 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities 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 at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Consolidated Statement of Profit and Loss.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### 2.19.1 Financial assets

##### Classification

The Group classifies its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value through profit and loss.
- (ii) those measured at amortised cost

##### a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### b. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss where it is not measured at amortised cost.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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### c. Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

### d. De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire.

## 2.19.2 Financial liabilities and equity

### Classification

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### a. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### b. Financial Liabilities

(i) Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

(ii) Interest-bearing bank loans and overdrafts are measured initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

#### (iii) De-recognition of financial liabilities

The Group de-recognises financial liabilities only when, the Group's obligations are discharged, cancelled or they expire.

#### (iv) Hedge instruments

The Group uses hedge instruments that are governed by the policies of the Group which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Group.

The Group uses certain forward foreign exchange contracts as hedge instruments in respect of foreign exchange fluctuation risk. These hedge contracts do not generally extend beyond 6 months.

These hedges are accounted for and measured at fair value from the date the hedge contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts are marked to market at the end of each reporting period.

The Group also uses certain future and option contracts as hedge instruments in respect of commodity price fluctuation risk. These hedge instruments are accounted for as cash flow hedges.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges are recognised immediately in the Consolidated Statement of Profit and Loss.

The effective portion of change in the fair value of the designated hedge instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedge reserve as a separate component of equity. Such amounts are reclassified into the Consolidated Statement of Profit and Loss when the related hedged items affect profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in profit or loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Consolidated Statement of Profit and Loss.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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### 2.20 Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries drawn upto the same reporting date as that of the Group i.e. March 31, 2017. Control is achieved when the Company has power over the investee, is exposed or has right to variable return from its investment with the investee and has the ability to use its power to affect its returns.

Consolidation of subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains controls until the date when the Company ceases to control the subsidiary

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies

All intra-group assets and liabilities, equity, income, expense, and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

**Following subsidiary companies have been considered in the preparation of the consolidated financial statements:**

Name of the subsidiary companies	Ownership in % either directly or through Subsidiaries	Country of Incorporation
Everspark Hong Kong Private Limited	100%	Hong Kong
Greendale India Limited (formerly known as Litez India Limited)	99.60%	India

### 2.21 First-time adoption – mandatory exceptions and optional exemptions

#### Overall principle

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the mandatory certain exceptions and certain optional exemptions availed by the Group as detailed below.

#### a. De-recognition of financial assets and financial liabilities

The Group has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

#### b. Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

#### c. Deemed cost for property, plant and equipment, investment property and intangible assets

The Group has elected to continue with the carrying value of all of its property, plant and equipment, investment property, and intangible assets (except internally generated brand- refer explanation (b) to first time Ind AS reconciliation) recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### d. Business combinations

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date - April 1, 2015.

#### e. Cumulative translation differences on foreign operations

The Group has not elected the option to reset the cumulative translation differences on foreign operations that exist on the transition date to zero.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 2.22 Recent accounting pronouncements

##### Standards issued but not yet effective

In March 2017, Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules 2017, notifying amendments to Ind AS 7 "Statement of Cash Flows" and Ind AS 102 "Share based payment". These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 "Consolidated Statement of Cash Flows" and IFRS 2 "Share based payment", respectively. Out of these amendments, only the amendment to Ind AS 7 is applicable for the Group from April 1, 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Consolidated Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group has evaluated the disclosure requirement of the amendment and the effect of the same on the consolidated financial statements is not considered to be material.

### 3 PROPERTY PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Carrying amounts of :</b>			
Freehold land	7,137.39	7,154.46	6,991.68
Buildings	10,367.41	4,984.80	4,906.51
Plant and equipment	14,867.56	9,199.02	7,914.99
Furniture and fixture	393.87	250.17	186.28
Vehicles	102.84	98.75	107.15
Office equipment	252.02	218.21	236.24
<b>Sub-total</b>	<b>33,121.09</b>	<b>21,905.41</b>	<b>20,342.85</b>
Capital work-in-progress	318.32	2,099.99	2,774.54
<b>Total</b>	<b>33,439.41</b>	<b>24,005.40</b>	<b>23,117.39</b>

Particulars	₹ Lakhs						
	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
<b>Cost or deemed cost</b>							
<b>Balance as at April 1, 2015</b>	<b>6,991.68</b>	<b>4,906.51</b>	<b>7,914.99</b>	<b>186.28</b>	<b>107.15</b>	<b>236.24</b>	<b>20,342.85</b>
Additions	179.84	412.39	2,060.36	99.74	47.55	70.88	<b>2,870.76</b>
Disposals	-	-	(21.32)	(3.31)	(1.37)	(0.10)	<b>(26.10)</b>
<b>Balance as at March 31, 2016</b>	<b>7,171.52</b>	<b>5,318.90</b>	<b>9,954.03</b>	<b>282.71</b>	<b>153.33</b>	<b>307.02</b>	<b>23,187.51</b>
Additions	-	5,742.28	6,652.18	192.46	52.77	120.73	<b>12,760.42</b>
Disposals	-	-	(156.64)	(5.15)	(0.32)	(2.61)	<b>(164.72)</b>
<b>Balance as at March 31, 2017</b>	<b>7,171.52</b>	<b>11,061.18</b>	<b>16,449.57</b>	<b>470.02</b>	<b>205.78</b>	<b>425.14</b>	<b>35,783.22</b>
<b>Accumulated Depreciation</b>							
<b>Balance as at April 1, 2015</b>	-	-	-	-	-	-	-
Elimination on disposals of assets	-	-	(0.13)	(0.47)	-	-	<b>(0.60)</b>
Depreciation expense	17.06	334.10	755.14	33.01	54.58	88.81	<b>1,282.70</b>
<b>Balance as at March 31, 2016</b>	<b>17.06</b>	<b>334.10</b>	<b>755.01</b>	<b>32.54</b>	<b>54.58</b>	<b>88.81</b>	<b>1,282.10</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**3 PROPERTY PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)**

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Elimination on disposals of assets	-	-	(1.90)	(0.29)	-	(0.10)	(2.29)
Depreciation expense	17.07	359.67	828.90	43.90	48.36	84.41	1,382.31
<b>Balance as at March 31, 2017</b>	<b>34.13</b>	<b>693.77</b>	<b>1,582.01</b>	<b>76.15</b>	<b>102.94</b>	<b>173.12</b>	<b>2,662.12</b>
<b>Carrying amount</b>							
<b>Balance as at April 1, 2015</b>	<b>6,991.68</b>	<b>4,906.51</b>	<b>7,914.99</b>	<b>186.28</b>	<b>107.15</b>	<b>236.24</b>	<b>20,342.85</b>
Additions	179.84	412.39	2,060.36	99.74	47.55	70.88	2,870.76
Disposals	-	-	(21.19)	(2.84)	(1.37)	(0.10)	(25.50)
Depreciation expense	(17.06)	(334.10)	(755.14)	(33.01)	(54.58)	(88.81)	(1,282.70)
<b>Balance as at March 31, 2016</b>	<b>7,154.46</b>	<b>4,984.80</b>	<b>9,199.02</b>	<b>250.17</b>	<b>98.75</b>	<b>218.21</b>	<b>21,905.41</b>
Additions	-	5,742.28	6,652.18	192.46	52.77	120.73	12,760.42
Disposals	-	-	(154.74)	(4.86)	(0.32)	(2.51)	(162.43)
Depreciation expense	(17.07)	(359.67)	(828.90)	(43.90)	(48.36)	(84.41)	(1,382.31)
<b>Balance as at March 31, 2017</b>	<b>7,137.39</b>	<b>10,367.41</b>	<b>14,867.56</b>	<b>393.87</b>	<b>102.84</b>	<b>252.02</b>	<b>33,121.09</b>

Note:

- (i) Property, plant and equipment pledged as security: Freehold Land and buildings with a carrying amount of ₹ 7,698.16 Lakhs (as at March 31, 2016: ₹ 2,694.88 Lakhs and as at April 1, 2015 : ₹ 2,541.97 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 17 and 21). Plant and equipments, Furniture and fixtures, Vehicle and Office equipments with a carrying amount of ₹ 9,681.81 Lakhs (as at March 31, 2016: ₹ 4,588.44 Lakhs and as at April 1, 2015 : ₹ 3,769.83 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 17 and 21).
- (ii) Freehold land and building includes a carrying value of ₹ 92.05 Lakhs (as at March 31, 2016: ₹ 92.05 Lakhs and as at April 01, 2015: ₹ 92.05 Lakhs) and ₹ 472.27 Lakhs (as at March 31, 2016: ₹ 530.56 Lakhs and as at April 01, 2015: ₹ 588.84 Lakhs) respectively located at Maddur which is in the name of the erstwhile Company which was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court(s) of judicature.

**4 INVESTMENT PROPERTY**

₹ Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment property			
Land	2.73	2.73	2.73
Building	2.91	2.91	2.91
<b>Total</b>	<b>5.64</b>	<b>5.64</b>	<b>5.64</b>

₹ Lakhs

Particulars	Freehold land	Building	Total
<b>Cost or deemed Cost</b>			
Balance as at April 1, 2015	2.73	2.91	5.64
Additions	-	-	-
<b>Balance as at March 31, 2016</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
Additions	-	-	-
<b>Balance as at March 31, 2017</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
<b>Accumulated depreciation</b>			
Balance as at April 1, 2015	-	-	-
Additions	-	-	-
<b>Balance as at March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>
Additions	-	-	-
<b>Balance as at March 31, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Carrying Amount</b>			
Balance as at April 1, 2015	2.73	2.91	5.64
Additions	-	-	-
<b>Balance as at March 31, 2016</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>
Additions	-	-	-
<b>Balance as at March 31, 2017</b>	<b>2.73</b>	<b>2.91</b>	<b>5.64</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 4 INVESTMENT PROPERTY (CONTD)

##### Fair value of the Group's Investment property

The Group has identified its unused Freehold land and building at Plot No. 8, Indus Park, Moula-Ali, Hyderabad, as Investment property. The fair value of such property has been derived using the market comparable rate of the surrounding area as at March 31, 2017, March 31, 2016 and April 1, 2015 on the basis of a valuation carried out as on the respective dates by an independent valuer not related to the group. The independent valuer is Government registered valuer and have appropriate qualifications and experience in the valuation of properties.

Details of the Group's investment properties and information about the fair value hierarchy as at March 31, 2017, March 31, 2016 and April 1, 2015 are as follows:

Particulars	Fair value			Fair value hierarchy (Level)
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	
Industrial units located in India, Hyderabad - Freehold land and building including compounded wall	9,971.50	9,946.63	9,921.76	Level 3
<b>Total</b>	<b>9,971.50</b>	<b>9,946.63</b>	<b>9,921.76</b>	

#### 5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Fair value		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Carrying amounts of :</b>			
Computer software	289.05	298.60	347.09
Purchased brand	*	*	*
Patent/Trademark	*	*	*
<b>Sub-total</b>	<b>289.05</b>	<b>298.60</b>	<b>347.09</b>
Intangible assets under development	321.66	107.43	4.80
<b>Total</b>	<b>610.71</b>	<b>406.03</b>	<b>351.89</b>

Particulars	Fair value			
	Computer software	Purchased brand	Patent/trademark	Total
<b>Cost or deemed cost</b>				
<b>Balance as at April 1, 2015</b>	347.09	*	*	<b>347.09</b>
Additions	58.38	-	-	<b>58.38</b>
<b>Balance as at March 31, 2016</b>	<b>405.47</b>	*	*	<b>405.47</b>
Additions	101.23	-	-	<b>101.23</b>
Disposals	(0.06)	-	-	<b>(0.06)</b>
<b>Balance as at March 31, 2017</b>	<b>506.64</b>	*	*	<b>506.64</b>
<b>Accumulated depreciation and impairment</b>				



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT (CONTD.)**

₹ Lakhs

Particulars	Computer software	Purchased brand	Patent/trademark	Total
<b>Balance as at April 1, 2015</b>	-	-	-	-
Amortisation expense	106.87	-	-	<b>106.87</b>
<b>Balance as at March 31, 2016</b>	<b>106.87</b>	-	-	<b>106.87</b>
Disposals	-	-	-	-
Amortisation expense	110.72	-	-	<b>110.72</b>
<b>Balance as at March 31, 2017</b>	<b>217.59</b>	-	-	<b>217.59</b>
<b>Carrying amount</b>				
Balance as at April 1, 2015	347.09	*	*	<b>347.09</b>
Additions	58.38	-	-	<b>58.38</b>
Amortisation expense	(106.87)	-	-	<b>(106.87)</b>
<b>Balance as at March 31, 2016</b>	<b>298.60</b>	*	*	<b>298.60</b>
Additions	101.23	-	-	<b>101.23</b>
Disposals	(0.06)	-	-	<b>(0.06)</b>
Amortisation expense	(110.72)	-	-	<b>(110.72)</b>
<b>Balance as at March 31, 2017</b>	<b>289.05</b>	*	*	<b>289.05</b>

\* Valued at ₹ 1 in the books

**6 NON-CURRENT INVESTMENTS**

₹ Lakhs

	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investment in equity instruments									
McLeod Russel India Ltd (at fair value through profit and loss)									
40 equity shares of ₹5 each	0.06		0.06	0.07	-	0.07	0.09	-	0.09
(As at March 31, 2016: 40 equity shares of ₹ 5 each, As at April 1, 2015: 40 equity shares of ₹ 5 each)									
<b>Total</b>	<b>0.06</b>	<b>-</b>	<b>0.06</b>	<b>0.07</b>	<b>-</b>	<b>0.07</b>	<b>0.09</b>	<b>-</b>	<b>0.09</b>
Aggregate book value of quoted investments [* ₹200/-]			*			*			*
Aggregate market value of listed and quoted investments			0.06			0.07			0.09

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars	₹ Lakhs					
		As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Non-current	Current	Non-current	Current	Non-current	Current
<b>7</b>	<b>LOANS</b>						
	(a) Loans to related parties (Refer note below)						
	Unsecured, considered good	0.27	3.21	3.21	3.21	6.13	3.21
	(b) Loans to employees						
	Unsecured, considered good	153.54	49.72	179.78	71.30	182.23	53.05
	(c) Loans to others						
	Unsecured, considered good	-	688.37	-	3,552.84	-	-
	<b>Total</b>	<b>153.81</b>	<b>741.30</b>	<b>182.99</b>	<b>3,627.35</b>	<b>188.36</b>	<b>56.26</b>

Note: Loans include amounts due from: (Refer Note 33.5)

Particulars	₹ Lakhs					
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
Director	0.27	3.21	3.21	3.21	6.13	3.21
<b>Total</b>	<b>0.27</b>	<b>3.21</b>	<b>3.21</b>	<b>3.21</b>	<b>6.13</b>	<b>3.21</b>

### 8 OTHER FINANCIAL ASSETS

Particulars	₹ Lakhs					
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
At amortised cost						
(a) Security deposits						
Unsecured, considered good	474.83	297.26	589.52	76.29	398.31	199.66
(b) Other claims						
Unsecured, considered good	47.08	214.87	54.59	383.33	51.27	632.45
<b>Total</b>	<b>521.91</b>	<b>512.13</b>	<b>644.11</b>	<b>459.62</b>	<b>449.58</b>	<b>832.11</b>

### 9 NON-CURRENT TAX ASSETS

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current tax assets			
Advance income tax [net of income-tax payable ₹ 1,001.14 Lakhs (As at March 31, 2016 ₹ 34.50 Lakhs and as at April 1, 2015 ₹ 969.56 Lakhs)]	161.78	131.97	119.86
<b>Total</b>	<b>161.78</b>	<b>131.97</b>	<b>119.86</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars	₹ Lakhs					
		As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Non-current	Current	Non-current	Current	Non-current	Current
10	<b>OTHER ASSETS</b>						
	(i) Prepaid expenses						
	Unsecured, considered good	1,243.79	290.49	1,051.13	280.82	1,070.87	230.84
	(ii) Employee benefit assets						
	- Gratuity fund (Refer Note 33.3.b)	930.14	-	805.22	-	825.14	-
	- Pension fund (Refer Note 33.3.b)	348.71	-	189.73	122.51	283.64	-
	(iii) Derivative assets on marked-to-market	-	29.99	-	125.89	-	-
	(iv) Capital advances						
	Unsecured, considered good	699.15	-	842.53	-	525.52	-
	(v) Balances with government authorities						
	Unsecured, considered good						
	(a) CENVAT credit receivable	95.70	974.03	105.93	366.49	159.25	707.37
	(b) VAT credit receivable	103.13	78.57	204.15	89.32	199.00	49.90
	(c) Service tax credit receivable	-	164.82	-	109.91	-	84.31
		198.83	1,217.42	310.08	565.72	358.25	841.58
	(vi) Deposit with Port authority	-	192.54	-	103.94	-	252.36
	(vii) Other loans and advances						
	Unsecured, considered good						
	- Advance for supplies and services	-	1,771.50	-	1,385.81	-	2,900.86
	- Others	24.84	39.37	30.45	77.03	30.45	53.59
		24.84	1,810.87	30.45	1,462.84	30.45	2,954.45
	<b>Total</b>	<b>3,445.46</b>	<b>3,541.31</b>	<b>3,229.14</b>	<b>2,661.72</b>	<b>3,093.87</b>	<b>4,279.23</b>

### 11 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Raw materials	6,630.21	6,952.34	7,241.88
Goods-in-transit	1,750.98	1,894.37	2,216.22
	8,381.19	8,846.71	9,458.10
(b) Work-in-progress (Refer Note below)	3,728.04	3,670.72	3,114.11
(c) Finished goods (other than those acquired for trading)	9,758.88	7,904.33	10,002.52
(d) Stock-in-trade (acquired for trading)	6,054.32	2,848.25	2,878.35
(e) Stores and spares	521.10	535.76	501.66
<b>Total</b>	<b>28,443.53</b>	<b>23,805.77</b>	<b>25,954.74</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 11 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE) (CONTD.)

Note: Details of inventory of work-in-progress:

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Batteries	1,966.86	2,088.17	1,963.08
Flashlights	1,618.45	1,367.36	901.12
Other items	142.73	215.19	249.91
<b>Total</b>	<b>3,728.04</b>	<b>3,670.72</b>	<b>3,114.11</b>

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 94,906.08 Lakhs (for the year ended March 31, 2016: ₹ 91,915.48 Lakhs).

The cost of inventories recognised as an expense includes ₹ 155.15 Lakhs (for the year ended March 31, 2016- ₹ 110.04 Lakhs) in respect of write-down of inventory on account of obsolescence/adjustments. There has also been reversals of write-down by ₹ 3.37 Lakhs ( for the year ended March 31, 2016- ₹ Nil).

The mode of valuation of Inventories has been stated in Note 2.14.

#### 12 TRADE RECEIVABLES

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables			
Unsecured, considered good	8,386.66	7,053.98	4,891.84
Doubtful	350.59	266.58	177.58
	8,737.25	7,320.56	5,069.42
Less: Allowance for doubtful trade receivables(expected credit loss allowance) - Refer note (i) below	350.59	266.58	177.58
<b>Total</b>	<b>8,386.66</b>	<b>7,053.98</b>	<b>4891.84</b>

The average credit period on sale of goods is 17 days.

Customers seeking appointment to dealership are approved by the Regional Head of Sales for a channel after completing the Customer Business Data Form, along with all necessary documents. New customers are usually on advance payment terms for three months. Customers seeking supply on credit after the stipulated period are extended the facility after evaluation by the Regional Head of Sales for the channel along with the Regional Commercial Manager. Sufficient proof of solvency has to be provided by the customer seeking credit. The credit limits are reviewed once every year in April.

Debtors Ageing	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Within the credit period	6,735.71	5,568.32	3,724.40
1-30 days past due	1,318.43	1,030.59	970.62
31-60 days past due	181.82	236.90	155.42
61-90 days past due	105.88	75.22	18.01
More than 90 days past due	395.41	409.54	200.97

Note:(i) The Group's maximum exposure to credit risk with respect to customers as at March 31, 2017 to ₹ 350.59 lakhs (as at March 31, 2016: ₹ 266.58 lakhs and as at April 1, 2015: ₹ 177.58 lakhs) which is the fair value of trade receivables less impairment loss as shown below. There is no concentration of credit risk with respect to any particular customer.

Movement in the allowances for doubtful trade receivables (expected credit loss allowance):

Particulars	₹ Lakhs	
	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	266.58	177.58
Movement in expected credit loss allowance on trade receivables	84.01	89.00
<b>Balance at end of the year</b>	<b>350.59</b>	<b>266.58</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars	₹ Lakhs		
<b>13</b>	<b>CASH AND CASH EQUIVALENTS AND OTHER BALANCES WITH BANK</b>			
	<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
	<b>A. Cash and cash equivalents</b>			
	(a) Cash in hand	8.09	9.10	15.20
	(b) Balances with banks			
	- In current accounts	486.99	642.26	643.64
	<b>Total - Cash and cash equivalents (as per Balance sheet) (A)</b>	<b>495.08</b>	<b>651.36</b>	<b>658.84</b>
	<b>B. Bank overdraft and cash credit (Refer Note 21.a)</b>	<b>(4,254.15)</b>	<b>(5,299.53)</b>	<b>(4,198.51)</b>
	<b>C. Cash and cash equivalents as per Consolidated Statement of Cash flows (A+B)</b>	<b>(3,759.07)</b>	<b>(4,648.17)</b>	<b>(3,539.67)</b>
	<b>D. Other balances with bank</b>			
	(a) In earmarked accounts			
	(i) Unpaid dividend accounts	42.05	30.39	18.40
	(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	19.55	17.89	16.47
	(iii) Others	-	14.30	14.30
	(b) Deposit accounts with maturity of more than three months	8.19	7.70	-
	<b>Total - Other balances with bank (D)</b>	<b>69.79</b>	<b>70.28</b>	<b>49.17</b>
	<b>Total cash and bank balances (A+D)</b>	<b>564.87</b>	<b>721.64</b>	<b>708.01</b>

### 14 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs
<b>(a) Authorised</b>						
Equity shares of ₹ 5 each with voting rights	21,15,60,000	10,578.00	21,15,60,000	10,578.00	21,15,60,000	10,578.00
<b>(b) Issued</b>						
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36	7,26,87,260	3,634.36
<b>(c) Subscribed and fully paid up</b>						
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36	7,26,87,260	3,634.36
<b>Total</b>	<b>7,26,87,260</b>	<b>3,634.36</b>	<b>7,26,87,260</b>	<b>3,634.36</b>	<b>7,26,87,260</b>	<b>3,634.36</b>

Refer Notes (i), (ii) and (iii) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars	Opening Balance	Additions during the year	Deletions during the year	Closing Balance
<b>14</b>	<b>EQUITY SHARE CAPITAL (CONTD.)</b>				
	<b>Equity shares with voting rights</b>				
	<b>Year ended March 31, 2017</b>				
	- Number of shares	7,26,87,260	-	-	7,26,87,260
	- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36
	<b>Year ended March 31, 2016</b>				
	- Number of shares	7,26,87,260	-	-	7,26,87,260
	- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36

**(ii) Terms / rights attached to Equity Shares:**

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Williamson Magor & Co Ltd.	1,70,07,841	23%	1,70,07,841	23%	1,70,07,841	23%
Williamson Financial Services Ltd.	63,70,988	9%	63,70,988	9%	63,70,988	9%
Bishnauth Investments Limited	41,48,246	6%	41,48,246	6%	41,48,246	6%
DSP Blackrock Micro Cap Fund	45,04,916	6%	-	-	-	-
Amansa Holdings Private Limited	40,31,191	6%	42,72,985	6%	-	-

**15 OTHER EQUITY**

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital reserve	12,356.60	12,356.60	12,356.60
Securities premium reserve	16,412.11	16,412.11	16,412.11
Development allowance reserve	3.50	3.50	3.50
Foreign currency translation reserve	29.25	15.01	(1.08)
Cash flow hedge reserve	19.61	113.09	-
Amalgamation reserve	300.42	300.42	300.42
Retained earnings	(3,805.66)	(12,205.40)	(18,114.34)
<b>Total</b>	<b>25,315.83</b>	<b>16,995.33</b>	<b>10,957.21</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
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### 15 OTHER EQUITY (CONTD.)

#### 15.1 Capital reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	12,356.60	12,356.60
Movement during the year	-	-
<b>Balance at end of year</b>	<b>12,356.60</b>	<b>12,356.60</b>

Capital Reserve represents a resource created by accumulated capital surplus and remain invested in the business for set off against any capital expenditure. This will not be distributed as dividends.

#### 15.2 Securities premium reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	16,412.11	16,412.11
Movement during the year	-	-
<b>Balance at end of year</b>	<b>16,412.11</b>	<b>16,412.11</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is maintained for utilization in accordance with the provisions of the Companies Act, 2013

#### 15.3 Development allowance reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	3.50	3.50
Movement during the year	-	-
<b>Balance at end of year</b>	<b>3.50</b>	<b>3.50</b>

Development allowance reserve pertains to McLeod Russel (India) Limited (MRIL), which was added to the Equity of the Company as at April 1, 1996 consequent to the amalgamation of MRIL and Faith Investments Limited with the Company.

#### 15.4 Foreign currency translation reserve

₹ Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	15.01	(1.08)
Movement during the year	14.24	16.09
<b>Balance at end of year</b>	<b>29.25</b>	<b>15.01</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 15 OTHER EQUITY (CONTD.)

##### 15.5 Cash flow hedge reserve

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	113.09	-
Gain arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	29.99	172.94
Income tax related to net gain recognised in other comprehensive income	(10.38)	(59.85)
Cumulative gain arising on changes in fair value of designated portion of hedging instruments reclassified through profit or loss	(172.94)	-
Income tax related to net gain reclassified through profit or loss	59.85	-
<b>Balance at end of year</b>	<b>19.61</b>	<b>113.09</b>

The Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising out of changes in fair value of designated portion of hedging instruments for cash flow hedges. The amounts recognized in this reserve is reclassified to profit or loss when the hedged item affects profit or loss.

##### 15.6 Amalgamation reserve

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	300.42	300.42
Movement during the year	-	-
<b>Balance at end of year</b>	<b>300.42</b>	<b>300.42</b>

The Amalgamation reserve was created on April 1, 2007 during the amalgamation of the erstwhile PowerCell Battery India Limited (PBIL) with the Company, wherein difference between the paid up share capital of erstwhile PBIL and the value of investments of the Company in erstwhile PBIL was accounted for

##### 15.7 Retained earnings

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at beginning of year	(12,205.40)	(18,114.34)
Profit attributable to owners of the Company	9,352.83	6,902.64
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(78.25)	(118.86)
Payment of interim dividend on equity shares [₹ Nil per share (Previous year ₹ 1 per share)]	-	(726.87)
Payment of dividend distribution tax on interim dividend	-	(147.97)
Payment of final dividend on equity shares [₹ 1 per share (Previous year ₹ Nil per share)]	(726.87)	-
Payment of dividend distribution tax on final dividend	(147.97)	-
<b>Balance at end of year</b>	<b>(3,805.66)</b>	<b>(12,205.40)</b>

The amount that can be distributed by the Group as dividends to its equity shareholders is determined on the basis of the balance of the retained earnings of the standalone financial statements after considering the requirements of the Companies Act, 2013.

An interim dividend of ₹ Nil per share (₹1 per share for the year ended March 31, 2016) was declared for the equity shareholders. A final dividend of ₹1 per share (₹ Nil per share for the year ended March 31, 2016) was declared on July 25, 2016 for the equity shareholders.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars	₹ Lakhs		
<b>16</b>	<b>NON-CONTROLLING INTEREST</b>			
		<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
	<b>Balance at beginning of year</b>	<b>(0.05)</b>	<b>(0.03)</b>	<b>0.01</b>
	Share of profit / (loss) for the year	0.01	(0.02)	(0.04)
	Balance at end of year	<b>(0.04)</b>	<b>(0.05)</b>	<b>(0.03)</b>

Particulars	₹ Lakhs					
	<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>		<b>As at April 1, 2015</b>	
	Non-current	Current	Non-current	Current	Non-current	Current
Term Loans-at amortised cost						
From Banks (Secured)						
ICICI Bank Ltd.	-	-	138.89	1,662.63	1,800.98	1,658.01
HDFC Bank Ltd.	8,311.45	1,212.52	2,697.76	1,162.04	3,407.44	1,212.60
United Bank of India	1,138.26	1,712.56	2,850.82	1,711.32	-	-
Yes Bank Ltd.	-	-	-	-	-	526.02
Indusind Bank Ltd.	-	-	937.50	312.50	-	-
From banks (Unsecured)						
Car Loans	3.47	23.47	26.93	42.23	46.77	35.78
<b>Total</b>	<b>9,453.18</b>	<b>2,948.55</b>	<b>6,651.90</b>	<b>4,890.72</b>	<b>5,255.19</b>	<b>3,432.41</b>

Notes:

(i) Details of terms of repayment for the borrowings and security provided in respect of the secured borrowings:

Particulars	Terms of repayment and security	₹ Lakhs					
		<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>		<b>As at April 1, 2015</b>	
		Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
Term loans from banks:							
i)	ICICI Bank Ltd. Secured by first pari passu charge on the property, plant and equipment of the Company situated at Hyderabad, Chennai, Lucknow, Rainey Park, Kolkata, Block- B, Sector No. 80, Ghaziabad, Noida and Plot No. -06, Sector 12, Pant Nagar Industrial Area, Jawalpur, Haridwar.	-	-	138.89	-	1,800.98	-
	Effective interest rate - March 31, 2017- 11.83% p.a, March 31, 2016 -11.52% p.a, April 1, 2015 - 12.95% p.a						
	Terms of repayment: 36 monthly instalments of ₹ 138.89 Lakhs with 24 months moratorium period.						

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 17 NON-CURRENT BORROWINGS (CONTD.)

₹ Lakhs

Particulars	Terms of repayment and security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
ii) HDFC Bank Ltd.	Secured by first charge on all the assets financed by HDFC Bank, First pari passu charge on all property, plant and equipment other than those financed specifically by any Bank, Second pari passu charge on all assets financed by any Bank or charged specifically to any Bank, wherein assets include all movable Plant & equipment.	1,139.37	-	2,247.76	-	3,407.44	-
	Effective interest rate as at March 31, 2017 -10.37% p.a., March 31, 2016 -10.42% p.a and April 1, 2015 - 11.07% p.a						
	Terms of repayment: 14 quarterly instalments of ₹ 285.71 Lakhs.						
iii) HDFC Bank Ltd.	Secured by first charge on all the assets financed by HDFC Bank on the plant at Mornoi Village, Goalpara District, Assam, Second pari passu charge on movable and immovable assets of the Company's unit at Uttaranchal.	7,172.08	-	450.00	-	-	-
	Effective interest rate as at March 31, 2017 -8.60% p.a, March 31, 2016 - 12.11% p.a and April 1, 2015 - Nil						
	Terms of repayment: 48 equal monthly instalments of ₹ 9.18 lakhs with 2 years moratorium period.						
iv) Indusind Bank Ltd.	Secured by first pari passu charge on the property, plant and equipment of the Company situated at Hyderabad, Kolkata, Tiruvottiyur Chennai & Lucknow.	-	-	937.50	-	-	-
	Effective interest rate as at March 31, 2017 - Nil , March 31, 2016 - 10.5% p.a, April 1, 2015- Nil						
	Terms of repayment: 16 equal quarterly instalments of ₹ 78.13 lakhs						
v) United Bank of India	Secured by first pari passu charge on the property, plant and equipment of the Company situated at Kolkata, Tiruvottiyur Chennai & Lucknow.	1,138.26	-	2,850.82	-	-	-
	Effective interest rate as at March 31, 2017 - 9.98% p.a, March 31, 2016 - 9.98% p.a, April 1, 2015 - Nil						
	Terms of repayment: 34 equal monthly instalments of ₹ 143.00 lakhs and concluding 35th instalment of ₹ 138.00 lakhs						
vi) Car Loans	Terms of repayment: Various; Each repayable in 36 equated instalments.	-	3.47	-	26.93	-	46.77
<b>Total</b>		<b>9,449.71</b>	<b>3.47</b>	<b>6,624.97</b>	<b>26.93</b>	<b>5,208.42</b>	<b>46.77</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

(ii) For the current maturities of long-term borrowings, refer items B(a) in Note 18 Other financial liabilities.

### 18 OTHER FINANCIAL LIABILITIES

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A. NON-CURRENT LIABILITIES</b>			
Security deposits received	394.73	394.73	394.73
<b>TOTAL</b>	<b>394.73</b>	<b>394.73</b>	<b>394.73</b>
<b>B. CURRENT FINANCIAL LIABILITIES</b>			
(a) Current maturities of long-term debt (Refer Note 17)	2,948.55	4,890.72	3,432.41
(b) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:			
(i) Unpaid dividends- not due	45.32	33.66	21.66
(c) Other payables			
(i) Payables on purchase of property, plant and equipment and intangible assets	784.22	109.04	205.77
(ii) Retention money	394.76	456.81	536.62
(iii) Estimated loss on derivatives	-	-	93.43
(iv) Marked-to-market on foreign exchange forward contracts	100.76	11.28	21.00
(v) Others	95.96	113.38	103.78
<b>TOTAL</b>	<b>4,369.57</b>	<b>5,614.89</b>	<b>4,414.67</b>

### 19 PROVISIONS

Particulars	₹ Lakhs					
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-current	Current	Non-current	Current	Non-current	Current
(a) Provision for employee benefits:						
(i) Post-employment medical benefits (Refer Note 33.3.b)	291.31	36.61	273.29	40.49	255.12	35.81
(ii) Compensated absences (Refer Note 33.3.b)	362.12	70.81	271.89	66.50	282.51	19.13
	653.43	107.42	545.18	106.99	537.63	54.94
(b) Provision - Others:						
(i) Sales Tax, Excise, etc (Refer note (i) below)	-	867.86	-	790.97	-	706.66
(ii) Warranty Provisions (Refer note (ii) below)	-	374.82	-	230.73	-	166.85
	-	1,242.68	-	1,021.70	-	873.51
<b>TOTAL</b>	<b>653.43</b>	<b>1,350.10</b>	<b>545.18</b>	<b>1,128.69</b>	<b>537.63</b>	<b>928.45</b>

Details of provisions

(i) The Group has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 19 PROVISIONS (CONTD.)

Particulars					₹ Lakhs
	As at April 1, 2016	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2017
Provision for other contingencies					
Sales Tax	92.31	70.98	(22.73)	(1.51)	139.05
Excise	378.85	-	-	(2.50)	376.35
Others (service tax, customs duty, etc)	319.81	32.65	-	-	352.46
<b>Total</b>	<b>790.97</b>	<b>103.63</b>	<b>(22.73)</b>	<b>(4.01)</b>	<b>867.86</b>

Particulars					₹ Lakhs
	As at April 1, 2015	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2016
Provision for other contingencies					
Sales Tax	78.21	38.67	-	(24.57)	92.31
Excise	250.43	136.10	-	(7.68)	378.85
Others (service tax, customs duty, etc)	378.02	-	-	(58.21)	319.81
<b>Total</b>	<b>706.66</b>	<b>174.77</b>	<b>-</b>	<b>(90.46)</b>	<b>790.97</b>

Note: The expected time of resulting outflow is one to two years.

(ii) The provision for warranty claims represents the estimated future outflow of economic benefits that will be required to settle the Group's obligations for warranties. This has been made on the basis of historical warranty trends.

Particulars				₹ Lakhs
	As at April 1, 2016	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2017
Warranty provisions	230.73	476.38	(332.29)	374.82
<b>Total</b>	<b>230.73</b>	<b>476.38</b>	<b>(332.29)</b>	<b>374.82</b>

Particulars				₹ Lakhs
	As at April 1, 2015	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2016
Warranty provisions	166.85	119.96	(56.08)	230.73
<b>Total</b>	<b>166.85</b>	<b>119.96</b>	<b>(56.08)</b>	<b>230.73</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars			
<b>20</b>	<b>DEFERRED TAX (LIABILITIES)/ASSETS</b>			
		₹ Lakhs		
	<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
	Deferred tax assets	2,220.12	1,806.51	1,359.48
	Deferred tax liabilities	(2,341.60)	(1,796.94)	(1,480.64)
	<b>Total</b>	<b>(121.48)</b>	<b>9.57</b>	<b>(121.16)</b>
		₹ Lakhs		
	<b>Particulars</b>	<b>As at April 1, 2016</b>	<b>Recognised in Profit and loss</b>	<b>Recognised in other comprehensive income</b>
	<b>A. DEFERRED TAX ASSETS</b>			<b>As at March 31, 2017</b>
	Effect of recognizing derivative instruments other than designated as Cash flow hedge at fair value	-	34.87	34.87
	Disallowance under section 40(a)(i) of the Income Tax Act, 1961	18.11	(4.27)	13.84
	Allowances for doubtful debts and advances	92.26	29.08	121.34
	Provision for compensated absences	117.11	32.72	149.83
	Expenditures falling under section 43B of Income Tax Act, 1961	386.92	41.76	428.68
	Mat credit entitlement	1,109.65	260.02	1,369.67
	Others	82.46	19.43	101.89
	<b>Total (A)</b>	<b>1,806.51</b>	<b>413.61</b>	<b>2,220.12</b>
	<b>B. DEFERRED TAX LIABILITIES</b>			
	Cash flow hedge	43.56	16.28	(49.47)
	Difference between book balance and tax balance of property, plant and equipment	1,753.38	577.85	-
	<b>Total (B)</b>	<b>1,796.94</b>	<b>594.13</b>	<b>(49.47)</b>
	<b>Net deferred tax assets/(liabilities) (A-B)</b>	<b>9.57</b>	<b>(180.52)</b>	<b>(121.48)</b>
		₹ Lakhs		
	<b>Particulars</b>	<b>As at April 1, 2015</b>	<b>Recognised in Profit and loss</b>	<b>Recognised in other comprehensive income</b>
	<b>A. DEFERRED TAX ASSETS</b>			
	Disallowance under section 40(a)(i) of the Income Tax Act, 1961	88.68	(70.57)	-
	Allowances for doubtful debts and advances	61.46	30.80	-
	Provision for compensated absences	104.39	12.72	-
	Expenditures falling under section 43B of Income Tax Act, 1961	262.98	123.94	-
	Mat credit entitlement	765.33	344.32	-
	Others	76.64	5.82	-
	<b>Total (A)</b>	<b>1,359.48</b>	<b>447.03</b>	<b>-</b>
	<b>B. DEFERRED TAX LIABILITIES</b>			
	Cash flow Hedge	-	(16.28)	59.84
	Difference between book balance and tax balance of property, plant and equipment	1,480.64	272.74	-
	<b>Total (B)</b>	<b>1,480.64</b>	<b>256.46</b>	<b>59.84</b>
	<b>Net deferred tax (liabilities)/assets (A-B)</b>	<b>(121.16)</b>	<b>190.57</b>	<b>(59.84)</b>
		₹ Lakhs		
	<b>Particulars</b>	<b>As at April 1, 2015</b>	<b>Recognised in Profit and loss</b>	<b>Recognised in other comprehensive income</b>
	<b>A. DEFERRED TAX ASSETS</b>			
	Disallowance under section 40(a)(i) of the Income Tax Act, 1961	88.68	(70.57)	-
	Allowances for doubtful debts and advances	61.46	30.80	-
	Provision for compensated absences	104.39	12.72	-
	Expenditures falling under section 43B of Income Tax Act, 1961	262.98	123.94	-
	Mat credit entitlement	765.33	344.32	-
	Others	76.64	5.82	-
	<b>Total (A)</b>	<b>1,359.48</b>	<b>447.03</b>	<b>-</b>
	<b>B. DEFERRED TAX LIABILITIES</b>			
	Cash flow Hedge	-	(16.28)	59.84
	Difference between book balance and tax balance of property, plant and equipment	1,480.64	272.74	-
	<b>Total (B)</b>	<b>1,480.64</b>	<b>256.46</b>	<b>59.84</b>
	<b>Net deferred tax (liabilities)/assets (A-B)</b>	<b>(121.16)</b>	<b>190.57</b>	<b>(59.84)</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 21 CURRENT BORROWINGS

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans repayable on demand			
From banks			
(a) Secured at amortised cost- bank overdraft and cash credit (Refer Note (i) below)	4,254.15	5,299.53	4,198.51
(b) Secured at amortised cost- buyer's credit (Refer Note (i) below)	483.36	487.60	241.65
<b>Sub-total</b>	<b>4,737.51</b>	<b>5,787.13</b>	<b>4,440.16</b>
Unsecured at amortised cost (Refer Note (ii) below)	4,470.39	2,713.23	9,701.34
<b>Total</b>	<b>9,207.90</b>	<b>8,500.36</b>	<b>14,141.50</b>

Note:

(i) Details of security:

Particulars	Nature of security	₹ Lakhs		
		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans repayable on demand				
from banks:				
IDBI Bank Ltd.	Secured by hypothecation of stocks, stores	-	-	299.98
UCO Bank	& book debts relating to businesses of the	36.71	2,032.63	2,009.46
United Bank of India	Company and ranking pari passu with the	2,439.64	2,689.53	1,499.20
ICICI Bank Ltd.	charges created and/or to be created in favour of	701.21	78.67	218.98
HDFC Bank Ltd.	other banks in the consortium and first/second	1,559.95	986.30	412.54
	charge on the property, plant and equipment of			
	the Group.			
<b>Total</b>		<b>4,734.51</b>	<b>5,787.13</b>	<b>4,440.16</b>

(ii) Includes Loan from ICICI Bank Hong Kong amounting to ₹ 1,936.19 Lakhs ( As at March 31, 2016: ₹ 1,316.52 Lakhs and as at April 1, 2015: ₹ 2,058.43 Lakhs) against unconditional and irrevocable corporate guarantee issued by the Company for the facility.

#### 22 TRADE PAYABLES

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade payables:			
(i) Total outstanding dues of micro enterprises and small enterprises	99.39	109.31	113.55
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	21,919.80	19,960.75	20,749.43
<b>Total</b>	<b>22,019.19</b>	<b>20,070.06</b>	<b>20,862.98</b>

The average credit period for purchase of materials and traded products ranges from 30 to 180 days.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	₹ Lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	99.39	109.31	113.55
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.26	0.06	0.43
(iii) The amount of interest due and payable for the year	0.26	0.06	0.43
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.61	1.35	1.29

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 FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars			
<b>23</b>	<b>CURRENT TAX LIABILITIES</b>			₹ Lakhs
	<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
	Current tax liabilities			
	Income-tax payable [(net of advance income-tax ₹ 3,021.05 Lakhs (As at March 31, 2016 ₹ 3,227.00 Lakhs and as at April 01, 2015 ₹ 1,700.62 Lakhs)]	1,351.57	1,126.41	936.95
		<b>1,351.57</b>	<b>1,126.41</b>	<b>936.95</b>
<b>24</b>	<b>OTHER CURRENT LIABILITIES</b>			₹ Lakhs
	<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
	(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	894.38	830.71	760.64
	(ii) BPL Escrow Liability	-	14.30	14.30
	(iii) Advances from customers	445.77	347.25	240.53
	(iv) Others	1,317.13	1,090.87	848.60
		<b>2,657.28</b>	<b>2,283.13</b>	<b>1,864.07</b>
<b>25</b>	<b>REVENUE FROM OPERATIONS</b>			₹ Lakhs
	<b>Particulars</b>	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>	
	(a) Sale of products-[including excise duty of ₹ 6,351.15 Lakhs (for the year ended March 31, 2016: ₹ 7,060.04 Lakhs)] Refer Note (i) below	141,938.75	139,314.48	
	(b) Other operating revenues (Refer Note (ii) below)	136.51	111.98	
	<b>Total</b>	<b>142,075.26</b>	<b>139,426.46</b>	
	<b>Particulars</b>	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>	₹ Lakhs
	(i) Sale of products comprises:			
	<b>Manufactured goods</b>			
	Batteries	79,249.38	79,972.49	
	Flashlights	10,453.31	9,103.89	
	Packet tea	6,872.71	7,216.38	
	Electrical products	2,080.11	10,473.73	
	Others	-	0.51	
	<b>Total - Sale of manufactured goods</b>	<b>98,655.51</b>	<b>106,767.00</b>	
	Traded goods			
	Batteries	1,251.71	1,739.94	

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 25 REVENUE FROM OPERATIONS (CONTD.)

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Flashlights	10,003.20	12,080.75
Electrical products	28,037.49	18,017.93
Small home appliances	3,990.84	68.09
Others	-	640.77
<b>Total - Sale of traded goods</b>	<b>43,283.24</b>	<b>32,547.48</b>
<b>Total - Sale of products</b>	<b>141,938.75</b>	<b>139,314.48</b>
(ii) Other operating revenues comprise:		
Sale of scrap	108.66	78.33
Others	27.85	33.65
<b>Total - Other operating revenues</b>	<b>136.51</b>	<b>111.98</b>

#### 26 OTHER INCOME

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest income (Refer Note (i) below)	906.70	659.66
(b) Net gain on foreign currency transactions and translation (other than considered as finance cost)	16.71	-
(c) Other non-operating income (Refer Note (ii) below)	34.09	117.37
<b>Total</b>	<b>957.50</b>	<b>777.03</b>

Notes:

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
(i) Interest income comprises:		
- On Bank deposits and others	13.70	18.91
- On loans and advances	835.21	640.75
- On advance payment of taxes	57.79	-
<b>Total - Interest income</b>	<b>906.70</b>	<b>659.66</b>
(ii) Other non-operating income comprises:		
- Profit on sale of property, plant and equipment	-	1.60
- Provisions no longer required written back (Refer Note 19)	4.01	90.46
- Others	30.08	25.31
<b>Total - Other non-operating income</b>	<b>34.09</b>	<b>117.37</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**27.a COST OF MATERIALS CONSUMED**

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening stock	8,846.71	9,458.10
Add: Purchases	54,003.84	57,004.03
	<b>62,850.55</b>	<b>66,462.13</b>
Less: Closing stock	8,381.19	8,846.71
<b>Total cost of material consumed</b>	<b>54,469.36</b>	<b>57,615.42</b>
Material consumed comprises:		
Zinc spelter	11,134.08	9,786.15
Acetylene black	1,758.64	1,713.63
Brass	1,487.69	1,560.53
Manganese ore	1,593.28	1,699.72
Black Tea for Packet tea	4,823.97	4,999.20
Others	33,671.71	37,856.19
<b>Total</b>	<b>54,469.36</b>	<b>57,615.42</b>

**27.b Purchase of stock-in-trade (traded goods)**

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Batteries	1,000.41	1,042.72
Flashlights	6,651.33	7,867.64
Electrical products	21,265.72	13,981.68
Small home appliances	5,686.21	254.12
Others	-	543.50
<b>Total</b>	<b>34,603.67</b>	<b>23,689.66</b>

**27.c Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Inventories at the end of the year:</b>		
Finished goods	9,758.88	7,904.33
Work-in-progress	3,728.04	3,670.72
Stock-in-trade	6,054.32	2,848.25
	<b>19,541.24</b>	<b>14,423.30</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	7,904.33	10,002.52
Work-in-progress	3,670.72	3,114.11
Stock-in-trade	2,848.25	2,878.35
	<b>14,423.30</b>	<b>15,994.98</b>
<b>Net (increase) / decrease</b>	<b>(5,117.94)</b>	<b>1,571.68</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 28 EMPLOYEE BENEFIT EXPENSE

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and wages	12,214.90	10,816.81
Contributions to provident and other funds (Refer Note 33.3)	1,044.46	992.29
Staff welfare expenses	1,162.99	1,195.93
<b>Total</b>	<b>14,422.35</b>	<b>13,005.03</b>

Notes:

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Employee benefit expense relating to investment property, that did not generate rental income:		
Salaries and wages	3.36	3.17
Contributions to provident and other funds	0.46	0.39
Staff welfare	0.09	0.13
<b>Total</b>	<b>3.91</b>	<b>3.69</b>

#### 29 FINANCE COSTS

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest expense on borrowings	2,150.18	2,764.52
(b) Other borrowing costs	6.35	26.51
(c) Net loss on foreign currency transactions and translation (considered as finance cost)	54.31	115.83
(d) Bank charges	167.19	177.66
<b>Total</b>	<b>2,378.03</b>	<b>3,084.52</b>

The weighted average capitalisation rate on funds borrowed during the year is 9.6% p.a (As at March 31, 2016 - 9.6%p.a)

#### 30 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation for the year on property, plant and equipment as per Note 3	1,382.31	1,282.70
Amortisation for the year on intangible assets as per Note 5	110.72	106.87
<b>Total</b>	<b>1,493.03</b>	<b>1,389.57</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**31 OTHER EXPENSES**

Particulars	₹ Lakhs	
	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
Consumption of stores and spare parts	158.55	170.63
Increase in excise duty in inventory of finished goods	(45.82)	(277.35)
Power and fuel	1,226.96	1,323.11
Rent	935.31	882.30
Repairs and maintenance - Buildings	227.26	213.93
Repairs and maintenance - Machinery	779.79	915.77
Repairs and maintenance - Software	183.70	144.02
Insurance	225.55	179.64
Rates and taxes	1,184.40	874.26
Travelling and conveyance	2,724.30	2,443.61
Freight, shipping and selling expenses	7,872.29	7,299.43
Advertisement, sales promotion and market research	5,768.32	6,577.88
Expenditure on corporate social responsibility (refer note 33.7)	93.32	48.55
Payments to auditors	74.62	69.71
Bad and doubtful trade receivables	84.01	89.00
Net loss on foreign currency transactions and translation (other than considered as finance cost)	-	78.13
Loss on property, plant and equipments sold / scrapped / written off	23.54	-
Provision for estimated (gain) on derivatives	(47.06)	(46.37)
Provision for indirect taxes (Refer Note 19)	103.64	174.77
Net loss on fair valuation of investment through profit and loss	0.01	0.02
Miscellaneous expenses	2,399.77	3,066.39
<b>Total</b>	<b>23,972.46</b>	<b>24,227.43</b>

Notes:

Particulars	₹ Lakhs	
	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
Payments to the auditors comprises fees for (net of service tax input credit, where applicable):		
For audit	39.55	39.30
For taxation matters	10.85	10.85
For Company law matters	0.60	0.60
For other services	23.36	18.96
Reimbursement of expenses	0.26	-
<b>Total</b>	<b>74.62</b>	<b>69.71</b>

Particulars	₹ Lakhs	
	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
Other expenses related to investment property that did not generate rental income:		
Consumption of stores and spare parts	0.02	0.02
Power and fuel	0.02	0.02
Repairs and maintenance - Machinery	0.02	0.02
Travelling and conveyance	0.01	0.04
Rates and taxes	3.73	3.93
Miscellaneous expenses- security service charge	15.56	14.63
<b>Total</b>	<b>19.36</b>	<b>18.66</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 32 INCOME TAX

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>32.a. Income tax recognised in profit and loss</b>		
<b>Current tax</b>		
In respect of current year	1,008.55	1,848.10
Less :Minimum Alternate Tax utilized	(341.28)	(344.32)
	<b>667.27</b>	<b>1,503.78</b>
<b>Deferred tax</b>		
In respect of current year	440.54	153.74
	<b>440.54</b>	<b>153.74</b>
<b>Total</b>	<b>1,107.81</b>	<b>1,657.52</b>

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Profit Before tax</b>	<b>10,460.65</b>	<b>8,560.14</b>
Income tax expense calculated at 34.608% (for the year ended March 31 ,2016 :34.608%)	3,620.22	2,962.49
Effect of provision for advances provided in earlier year and written off during the year	(1,028.99)	-
Effect of income exempt from taxation (under section 80-IC of the Income Tax Act, 1961)	(1,174.10)	(1,107.32)
Effect of different tax rates of subsidiaries	(0.30)	1.73
Effect of concessions (research and development and other allowances)	(51.91)	(46.74)
Effect of MAT credit entitlement	(341.28)	(344.32)
Effect of expenses that are not deductible in determining taxable profit	79.90	191.67
Others	4.27	(0.26)
<b>Total</b>	<b>1,107.81</b>	<b>1,657.51</b>

Particulars	₹ Lakhs	
	As at March 31, 2017	As at March 31, 2016
<b>32.b. Income tax recognised in other comprehensive income</b>		
<b>Current tax</b>		
Arising on remeasurement loss on defined benefit plans	41.42	32.25
	<b>41.42</b>	<b>32.25</b>
<b>Deferred tax</b>	69.84	64.36
Arising on effective portion of (loss)/gain on designated portion of hedging instrument in cash flow hedge	49.47	(59.85)
	<b>49.47</b>	<b>(59.85)</b>
<b>Total</b>	<b>90.89</b>	<b>(27.60)</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars
<b>33</b>	<b>ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS</b>

### 33.1 Contingent liabilities & commitments (to the extent not provided for)

Particulars	₹ Lakhs	
	As at March 31, 2017	As at March 31, 2016
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
- Excise & Customs *	1,503.39	1,769.88
- Sales tax	69.84	64.36
* Excludes interest claimed in a few cases by respective Authorities but amount not quantified.		
(b) Guarantees	3,836.53	4,044.77
(c) Others (Includes ESI, Property Tax, Water Tax etc.)	134.35	153.23
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Property, plant and equipment	2,592.84	12,039.13
- Intangible assets	34.05	91.17

### 33.2 Novener SAS

The Company acquired a controlling stake in Novener SAS from July 2009, a rechargeable battery conglomerate whose products were marketed under the brand name of "Uniross". As at March 31, 2017, the Company has an investment of ₹ Nil (As at March 31, 2016: ₹ 4,646.04 Lakhs and as at April 1, 2015: ₹ 4,646.04 Lakhs) and advances aggregating to ₹ Nil (as at March 31, 2016: ₹ 2,973.27 Lakhs and as at April 1, 2015: ₹ 2,973.27 Lakhs). The Company's total exposure towards investments and advances of ₹ 7,619.31 Lakhs was fully provided for as at March 31, 2016 (as at April 1, 2015: ₹ 7,619.31 Lakhs). Novener SAS and all the key entities of the Uniross group were liquidated, as ordered by French Court judgements. The Company sought RBI approval for writing off the investment and advances as mentioned above during the previous year ended March 31, 2016. RBI approval was received during the year for the same and hence accounting adjustments have been made.

### 33.3 EMPLOYEE BENEFIT PLANS

#### 33.3.a Defined contribution plans

The Group makes Provident Fund and Pension Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 331.93 Lakhs (for the year ended March 31, 2016 ₹ 289.84 Lakhs) for Provident Fund contributions and ₹ 531.93 Lakhs (for the year ended March 31, 2016 ₹ 498.58 Lakhs) for Pension Fund contributions in the Consolidated Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

#### 33.3.b The Group offers the following employee benefit schemes to its employees:

##### Defined benefit plans

- i. Gratuity
- ii. Pension

##### Other long term employee benefits

- i. Post-employment medical benefits
- ii. Compensated absences

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.3.b The Group offers the following employee benefit schemes to its employees: (Contd.)

The following table sets out the funded/unfunded status of the defined benefit plans and other long term benefits and the amount recognised in the consolidated financial statements:

Particulars	₹ Lakhs											
	Year ended March 31, 2017				Year ended March 31, 2016				Year ended April 1, 2015			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
<b>Components of employer expense</b>												
Current service cost	203.24	1.84	-	109.62	185.89	1.76	-	94.15	124.56	-	-	31.43
Interest cost	152.84	23.13	21.60	23.58	140.57	21.08	22.75	20.93	115.26	26.40	26.29	18.60
Expected return on plan assets	(228.43)	-	(46.12)	-	(212.78)	-	(44.73)	-	(196.26)	-	(46.79)	-
Actuarial losses / (gains)	62.54	27.33	(11.95)	37.39	119.64	38.09	(6.62)	(15.31)	204.17	(26.92)	(21.88)	69.54
Return on Plan Assets (excluding Interest Income)	(116.67)	-	(20.58)	-	115.68	-	(8.44)	-	(181.14)	-	(27.66)	-
Actuarial losses / (gains) arising from changes in financial assumptions	191.63	18.50	21.47	30.14	(20.06)	7.81	(1.05)	(3.15)	285.57	12.07	9.24	36.88
Actuarial losses / (gains) arising from changes in experience adjustments	(12.42)	8.83	(12.84)	7.25	24.02	30.28	2.87	(12.16)	99.74	(38.99)	(3.46)	32.66
<b>Total expense / (income) recognised in the Consolidated Statement of Profit and Loss</b>	<b>190.19</b>	<b>52.30</b>	<b>(36.47)</b>	<b>170.59</b>	<b>233.32</b>	<b>60.93</b>	<b>(28.60)</b>	<b>99.77</b>	<b>247.73</b>	<b>(0.52)</b>	<b>(42.38)</b>	<b>119.57</b>
<b>Actual contribution and benefit payments for year</b>												
Actual benefit payments	253.02	38.16	56.69	76.05	141.15	38.08	29.14	63.02	193.68	38.10	66.36	73.61
Actual contributions	315.11	38.16	-	76.05	213.40	38.08	-	63.02	240.00	38.10	-	73.61
<b>Net asset / (liability) recognised in the Consolidated Balance Sheet</b>												
Present value of defined benefit obligation	2,355.88	327.92	277.10	432.93	2,073.61	313.78	303.56	338.39	1,884.34	290.93	308.13	301.64
Fair value of plan assets	3,286.02	-	625.81	-	2,878.83	-	615.80	-	2,709.48	-	591.77	-
Status [Surplus / (Deficit)]	930.14	(327.92)	348.71	(432.93)	805.22	(313.78)	312.24	(338.39)	825.14	(290.93)	283.64	(301.64)
<b>Net asset / (liability) recognised in the Consolidated Balance Sheet</b>	<b>930.14</b>	<b>(327.92)</b>	<b>348.71</b>	<b>(432.93)</b>	<b>805.22</b>	<b>(313.78)</b>	<b>312.24</b>	<b>(338.39)</b>	<b>825.14</b>	<b>(290.93)</b>	<b>283.64</b>	<b>(301.64)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>												
Present value of DBO at beginning of the year	2,073.61	313.78	303.56	338.39	1,884.34	290.93	308.13	301.64	1,452.89	329.55	342.42	255.68
Current service cost	203.24	1.84	-	109.62	185.89	1.76	-	94.15	124.56	-	-	31.43
Interest cost	152.84	23.13	21.60	23.58	140.57	21.08	22.75	20.93	115.26	26.40	26.29	18.60
Actuarial losses / (gains)	179.21	27.33	8.63	37.39	3.96	38.09	1.82	(15.31)	385.31	(26.92)	5.78	69.54
Actuarial losses / (gains) arising from changes in financial assumptions	191.63	18.50	21.47	30.14	(20.06)	7.81	(1.05)	(3.15)	285.57	12.07	9.24	36.88
Actuarial losses / (gains) arising from changes in experience adjustments	(12.42)	8.83	(12.84)	7.25	24.02	30.28	2.87	(12.16)	99.74	(38.99)	(3.46)	32.66
Benefits paid	(253.02)	(38.16)	(56.69)	(76.05)	(141.15)	(38.08)	(29.14)	(63.02)	(193.68)	(38.10)	(66.36)	(73.61)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.3.b The Group offers the following employee benefit schemes to its employees: (Contd.)

₹ Lakhs

Particulars	Year ended March 31, 2017				Year ended March 31, 2016				Year ended April 1, 2015			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
<b>Present value of DBO at the end of the year</b>	<b>2,355.88</b>	<b>327.92</b>	<b>277.10</b>	<b>432.93</b>	<b>2,073.61</b>	<b>313.78</b>	<b>303.56</b>	<b>338.39</b>	<b>1,884.34</b>	<b>290.93</b>	<b>308.13</b>	<b>301.64</b>
<b>Change in fair value of assets during the year</b>												
Plan assets at beginning of the year	2,878.83	-	615.80	-	2,709.48	-	591.77	-	2,285.76	-	583.68	-
Expected return on plan assets	228.43	-	46.12	-	212.78	-	44.73	-	196.26	-	46.79	-
Actual Company contributions	315.11	38.16	-	76.05	213.40	-	-	-	240.00	-	-	-
Actuarial gains	116.67	-	20.58	-	(115.68)	-	8.44	-	181.14	-	27.66	-
Benefits paid	(253.02)	(38.16)	(56.69)	(76.05)	(141.15)	-	(29.14)	-	(193.68)	-	(66.36)	-
<b>Plan assets at the end of the year</b>	<b>3,286.02</b>	<b>-</b>	<b>625.81</b>	<b>-</b>	<b>2,878.83</b>	<b>-</b>	<b>615.80</b>	<b>-</b>	<b>2,709.48</b>	<b>-</b>	<b>591.77</b>	<b>-</b>
Actual return on plan assets	345.10	-	66.70	-	97.10	-	53.17	-	377.40	-	74.45	-
<b>Composition of the plan assets is as follows:</b>												
Government bonds	-	NA	-	NA	65.07	NA	70.02	NA	92.21	NA	145.39	NA
Special Deposit with SBI	-	NA	65.35	NA	-	NA	65.35	NA	-	NA	65.35	NA
Corporate Bonds	-	NA	-	NA	-	NA	50.05	NA	-	NA	50.05	NA
Insurance Companies	3,072.09	NA	65.35	NA	2,620.97	NA	2,573.89	NA	2,419.29	NA	2,195.67	NA
Cash and Cash Equivalents	4.89	NA	1.68	NA	2.57	NA	1.40	NA	1.88	NA	1.38	NA
<b>ACTUARIAL ASSUMPTIONS</b>												
Discount rate	7.00%	7.00%	7.00%	7.00%	7.85%	7.85%	7.85%	7.85%	7.75%	7.75%	7.75%	7.75%
Expected return on plan assets	7.85%	NA	7.85%	NA	8.50%	NA	8.50%	NA	8.50%	NA	8.50%	NA
Salary escalation	6.00%	NA	NIL	6.00%	6.00%	NA	NIL	6.00%	6.00%	NA	NIL	6.00%
Attrition	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Medical cost inflation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Mortality tables	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
Average longevity at retirement age for current beneficiaries of the plan (Years)												
Males	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average longevity at retirement age for current employees (future beneficiaries of the plan) (Years)												
Males	NA	77.04	NA	NA	NA	76.99	NA	NA	NA	74.36	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

The discount rate is based on the prevailing market yields of Government of India securities as at the Consolidated Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

#### Experience adjustments

Particulars	2016-17	2015-16	2nd prior year	3rd prior year	4th prior year
<b>Gratuity</b>					
Present value of DBO	2,355.88	2,073.61	1,884.34	1,452.89	1,333.21
Fair value of plan assets	3,286.02	2,878.83	2,709.48	2,285.76	1,943.51
Status - Surplus	930.14	805.22	825.14	832.87	606.47
Experience gain / (loss) adjustments on plan liabilities	(12.42)	24.02	99.74	94.52	93.57
Experience gain / (loss) adjustments on plan assets	116.67	(115.68)	181.14	28.21	33.18
<b>Post Employment medical Benefits</b>					
Present value of DBO	327.92	313.78	290.93	329.55	350.22
Fair value of plan assets	NA	NA	NA	NA	NA
Status - (Deficit)	(327.92)	(313.78)	(290.93)	(329.55)	(350.32)
Experience gain / (loss) adjustments on plan liabilities	8.83	30.28	(38.99)	(4.30)	5.12
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA	NA
<b>Pension</b>					
Present value of DBO	277.10	303.56	308.13	342.42	359.73
Fair value of plan assets	625.81	615.80	591.77	583.68	552.60
Status - Surplus	348.71	312.24	283.64	241.26	192.87
Experience gain / (loss) adjustments on plan liabilities	(12.84)	2.87	(3.46)	(3.75)	16.13
Experience gain / (loss) adjustments on plan assets	20.58	8.44	27.66	25.18	28.55
<b>Compensated absences</b>					
Present value of DBO	432.93	338.39	301.64	255.68	235.21
Fair value of plan assets	NA	NA	NA	NA	NA
Status - (Deficit)	(432.93)	(338.39)	(301.64)	(255.68)	(235.21)
Experience gain / (loss) adjustments on plan liabilities	7.25	(12.16)	32.66	33.20	14.37
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA	NA

These plans typically expose the Company to actuarial risks are as follows:

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Group is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (Or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Group is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk*	The Scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated.

\* Not applicable for Pension fund



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Pension		Post Employment medical Benefits		Compensated absences		Gratuity	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
DBO at March 31 with discount rate +0.5 %	4.74	5.10	11.16	10.27	18.18	7.33	115.85	94.76
DBO at March 31 with discount rate -0.5%	(4.99)	(0.32)	(12.04)	(11.06)	(19.58)	(7.64)	(125.66)	(102.67)
DBO at March 31 with +1% salary escalation	N/A	N/A	N/A	N/A	(40.70)	(10.86)	(258.28)	(212.83)
DBO at March 31 with -1% salary escalation	N/A	N/A	N/A	N/A	35.70	10.09	224.62	183.63
DBO at March 31 with +1% benefit increase	N/A	N/A	(3.28)	(3.13)	N/A	N/A	N/A	N/A
DBO at March 31 with -1% benefit increase	N/A	N/A	3.28	3.14	N/A	N/A	N/A	N/A

#### 33.4 Segment information

The Group is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products and small home appliances which come under a **single business segment known as Consumer Goods**. The financial performance relating to this single business segment is evaluated regularly by the Managing Director and Chief Financial Officer (Chief Operating Decision Makers). Sale outside India is below the reportable threshold limit, thus geographical segment information is not given.

#### 33.5 Related party transactions

33.5.a Details of related parties:

Description of relationship	Names of related parties
Investor Company (for which the Company is an associate)	Williamson Magor & Co. Limited
Employee Benefit Trusts	Eveready India Managerial Staff Pension Fund Eveready India Managerial Staff Gratuity Fund Eveready India Employees Gratuity Fund Eveready India Staff Provident Fund
Key Management Personnel (KMP)	
Executive directors	Mr. Suvamoy Saha Mr. Amritanshu Khaitan
Non-executive directors	Mr. Brij Mohan Khaitan Mr. Aditya Khaitan Mr. Subir Ranjan Dasgupta Mr. Sanjiv Goenka Mrs. Ramni Nirula Mr. Sudipto Sarkar
Relatives of KMP with whom the Company had transactions during the year	Ms. Yashodhara Khaitan - Mother of Mr. Amritanshu Khaitan Ms. Isha Khaitan - Spouse of Mr. Amritanshu Khaitan Ms. Nitya Bangur - Sister of Mr. Amritanshu Khaitan Ms. Apurvi Khaitan - Daughter of Mr. Aditya Khaitan

Note: Related parties have been identified by the management

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

33.5.b Details of related party transactions during the year ended March 31, 2017 and balances outstanding as at March 31, 2017:

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Investor Company (for which the Company is an associate)		
Williamson Magor & Co. Limited		
Reimbursement of expenses	1.29	1.23
Rendering of services	180.00	180.00
Rent paid	3.00	-
Outstanding as at the year end		
Trade payables (as at April 1, 2015: ₹ 30.48 lakhs)	31.50	31.35
Employee Benefit Trusts		
Eveready India Managerial Staff Pension Fund	287.00	257.50
Eveready India Managerial Staff Gratuity Fund	156.00	104.00
Eveready India Employees Gratuity Fund	132.00	88.00
Eveready India Staff Provident Fund	287.04	244.39
Contribution to employment benefit plans	862.04	693.89
Key Management Personnel (KMP)		
Executive Directors		
Mr. Suvamoy Saha		
Short-term benefits	235.82	219.31
Post employment benefits*	28.44	26.46
Remuneration	264.26	245.77
Outstanding as at the year end		
Loans (as at April 1, 2015: ₹ 9.34 lakhs)	3.48	6.42
Mr. Amritanshu Khaitan		
Short-term benefits	280.34	257.23
Post employment benefits*	34.56	31.51
Remuneration	314.90	288.74
Non-executive Directors		
Mr. Brij Mohan Khaitan	1.00	-
Mr. Aditya Khaitan	1.00	-
Mr. Subir Ranjan Dasgupta	1.00	-
Mr. Sanjiv Goenka	1.00	-
Mrs. Ramani Nirula	1.00	-
Mr. Sudipto Sarkar	1.00	-
Commission paid	6.00	-
Relatives of KMP with whom the Company had transactions during the year		
Rent paid		
Ms. Yashodhara Khaitan	1.41	-
Ms. Isha Khaitan	3.06	-
Ms. Nitya Bangur	4.70	-
Ms. Apurvi Khaitan	3.06	-
Remuneration		
Ms. Apurvi Khaitan	2.04	-

\* As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Group as a whole, the amounts pertaining to KMP are not included.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note	Particulars		
<b>33</b>	<b>ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)</b>		
<b>33.6</b>	<b>Earnings per share</b>		
		<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
<b>33.6.a</b>	<b>Basic</b>		
	Profit for the year attributable to the owners of the Company ₹ in Lakhs	9,352.83	6,902.64
	Weighted average number of equity shares	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Basic ₹	12.87	9.50
<b>33.6.b</b>	<b>Diluted</b>		
	The diluted earnings per share has been computed by dividing the profit for the year attributable to the owners of the Company divided by the weighted average number of equity shares.		
	Profit for the year ₹ in Lakhs	9,352.83	6,902.64
	Weighted average number of equity shares for Basic EPS	7,26,87,260	7,26,87,260
	Weighted average number of equity shares for Diluted EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Diluted ₹	12.87	9.50

### 33.7 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, gender equality, empowerment of women and promoting sports- National & Olympic. The expenditure incurred (Refer Note 31) during the year on these activities are as specified in schedule VII on the Companies Act, 2013.

- (a) Gross amount required to be spent by the Group during the year ₹ 92.67 Lakhs  
(b) Amount spent during the year on:

Particulars	For the year ended March 31, 2017		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	93.32	-	93.32
<b>Total</b>	<b>93.32</b>	<b>-</b>	<b>93.32</b>

### 33.8 Details of Research and Development expenditure recognised as an expense

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016
	In cash	Yet to be paid in cash	Total
Employee benefits expense	250.77	-	235.77
Consumables	29.64	-	44.88
Travelling expenses	39.51	-	34.41
Rent	4.21	-	3.81
Others	122.46	-	85.71
<b>Total</b>	<b>446.59</b>	<b>-</b>	<b>404.58</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

#### 33.9 Financial Instruments

##### 33.9.1 Capital management

The Group's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Group also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Group to contain / reduce the cost of capital.

##### Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	₹ Lakhs		
	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
Debt	21,609.63	20,042.98	22,829.10
Cash and bank balance	(564.87)	(721.64)	(708.01)
<b>Net debt</b>	<b>21,044.76</b>	<b>19,321.34</b>	22,121.09
<b>Total Equity</b>	<b>28,950.19</b>	<b>20,629.69</b>	14,591.57
Net debt to equity ratio (%)	72.69%	93.66%	151.60%

##### 33.9.2 Categories of financial instruments

	₹ Lakhs		
	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at April 1, 2015</b>
<b>Particulars</b>			
<b>Financial assets</b>			
<b>Measured at fair value through profit or loss (FVTPL)</b>			
Investments designated at fair value through profit or loss (FVTPL)	0.06	0.07	0.09
<b>Measured at amortised cost</b>			
(a) Cash and bank balances	564.87	721.64	708.01
(b) Other financial assets at amortised cost	10,315.81	11,968.05	6,418.15
<b>Financial liabilities</b>			
<b>Measured at amortised cost</b>			
Financial liabilities measured at amortised cost	45,444.57	41,231.94	45,069.07

##### 33.9.3 Financial risk management objectives

The Group endeavours to manage the financial risks related to its operations through specified policies, which deals with various market risks (foreign currency exchange risk, interest rate risks and commodity price risks), credit risks and liquidity risks. In order to minimize any adverse effects on the financial performance of the Group, derivative financial instruments like foreign exchange forward contracts, commodity future and option contracts, maintaining proper mix between fixed and floating rate of borrowings are undertaken to hedge the various financial risks as per guidelines set in those policies. Credit Risk management is done through managing credit limits and transactions through letters of credit. Liquidity risk is managed through availability of committed credit lines and borrowing facilities

##### 33.9.4 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices in international markets. The Group enters into foreign exchange forward contracts and commodities future contracts, to manage its market risks.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.9.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within the approved policy utilising forward foreign exchange contracts

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

Particulars	₹ Lakhs					
	Liabilities			Assets		
	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015
USD	3,062.84	3,666.47	3,649.28	88.37	353.38	338.25
JPY	1.60	-	1.44	-	-	-
HKD	2,433.89	1,824.63	2,764.46	245.36	444.28	440.60

##### 33.9.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency US Dollar, Japanese Yen and Hong Kong Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Company's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit before tax where the INR (₹) strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

Particulars	₹ Lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
US Dollar		
Impact on profit or loss for the year	26.17	109.03
Japanese Yen		
Impact on profit or loss for the year	0.08	-
Hong Kong Dollar		
Impact on profit or loss for the year	109.43	69.02

##### 33.9.5.2 Forward foreign exchange contracts

It is the policy of the Group to enter into foreign exchange forward contracts to cover foreign currency payments for known liabilities, all foreign currency loans and receipts, all of which covers approximately 40% to 50% of the exposure generated

The following table details the foreign exchange forward contracts outstanding at the end of the reporting period:

Outstanding Forward Contracts	Average Exchange rate		Forward contract USD in lakhs				Nominal Amounts			Fair Value assets / (liabilities)		
	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015
	Buy USD											
Less than 3 months	67.09	65.46	61.17	21.47	16.06	19.11	1,440.54	1,050.99	1,168.74	(64.29)	(7.28)	(17.69)
3 to 6 months	67.09	65.46	61.17	16.32	2.53	14.67	1,094.94	165.60	897.30	(36.47)	(5.32)	(2.95)
Sell USD												
Less than 3 months	67.09	65.46	61.17	-	1.49	0.87	-	97.53	53.22	-	1.32	(0.34)

The line-items in the consolidated balance sheet that include the above hedging instruments are "Other financial assets" and "Other financial liabilities". The Group has entered into foreign exchange forward contracts (for terms not exceeding 6 months) to hedge the exchange rate risk arising from the outstanding payables and receivables

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.9.6 Interest rate risk management

The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

##### 33.9.6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments (Borrowings) at the end of the reporting period. For floating rate liabilities, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's:

- profit before tax for the year ended March 31, 2017 would decrease/increase by ₹ 90.14 lakhs (for the year ended March 31, 2016: decrease/increase by ₹ 180.85 Lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

##### 33.9.7 Commodity price risk management

The Group is exposed to commodity price risk, mainly in respect of Zinc, which is a key raw material in the manufacture of batteries. The price risk is linked to fluctuations in London Metal Exchange (LME). The Group manages the price risk by entering into derivative transactions by use of futures upto 50% of the total exposure generated.

The carrying amounts of the Group's future contracts monetary assets and monetary liabilities at the end of reporting period are as follows:

Particulars	₹ Lakhs					
	Liabilities			Assets		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
USD	-	27.14	93.43	29.99	174.79	-

##### 33.9.7.1 Future Commodities Contract

The following table details the future contracts outstanding at the end of the reporting period:

Outstanding Future Contracts	Average Exchange rate			Future contract USD In lakhs			Nominal Amounts			Fair Value assets / (liabilities)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	₹ Lakhs											
<b>Buy Contracts</b>												
Less than 3 months	67.09	65.46	61.17	8.29	5.44	12.47	556.33	356.12	762.66	29.99	59.59	(23.20)
3 to 6 months	67.09	65.46	61.17	-	10.92	12.53	-	714.78	766.12	-	58.54	(23.76)
More than 6 months	67.09	65.46	61.17	-	2.74	25.21	-	179.21	1,541.84	-	54.81	(46.47)
<b>Sell Contracts</b>												
Less than 3 months	67.09	65.46	61.17	-	5.44	-	-	355.76	-	-	(27.14)	-
3 to 6 months	67.09	65.46	61.17	-	-	-	-	-	-	-	-	-
More than 6 months	67.09	65.46	61.17	-	8.22	-	-	538.16	-	-	1.85	-

##### 33.9.7.2 Commodity price sensitivity analysis

The sensitivity analyses is determined based on outstanding future positions at the end of the reporting period. A \$100 increase or decrease is used when reporting Zinc price risk to key management personnel and represents management's assessment of the reasonably possible change in Zinc price on LME. If Zinc price had been \$100 higher/lower and all other variables were held constant, the Group's:

- profit for the year ended March 31, 2017 would decrease/increase by ₹ 19.46 lakhs (for the year ended March 31, 2016: decrease / increase by 69.56 akhs)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)**

**33.9.8 Credit risk management**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure of its counter parties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counter party did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. As at March 31, 2017, an amount of ₹ 3,242.75 lakhs (as at March 31, 2016: ₹ 3,312.63 lakhs and as at April 1, 2015; ₹ 3,125.00 lakhs) and other bank guarantees amounts to ₹ 593.78 lakhs as at March 31, 2017 (as at March 31, 2016: ₹ 732.14 lakhs and as at April 1, 2015; ₹ 208.94 lakhs) has been considered in the balance sheet as contingent liabilities (see note 33.1). These financial guarantees have been issued to banks under the supply agreements entered into with certain vendors.

**33.9.8.1 Collateral held as security and other credit enhancements**

The Group does not have any collateral or other credit enhancements to cover its credit risks associated with its financial assets

**33.9.9 Liquidity risk management**

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The below table sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

**33.9.9.1 Liquidity risk tables**

a) Expected maturity for non-derivative financial liabilities

Particulars	₹ Lakhs				Total
	Less than 1 month	1-3 months	3 months to 1 year	More than 1 year	
<b>March 31, 2017</b>					
Trade Payables	12,170.94	4,957.14	4,891.11	-	22,019.19
Other liabilities	527.10	0.39	792.78	394.73	1,715.00
Borrowings	4,987.44	2,584.79	4,584.22	9,453.18	21,609.63
<b>March 31, 2016</b>					
Trade Payables	13,728.11	3,391.13	2,950.82	-	20,070.06
Other liabilities	501.60	69.50	141.79	394.73	1,107.62
Borrowings	7,454.38	2,323.06	3,613.65	6,651.90	20,042.99
<b>April 1, 2015</b>					
Trade Payables	11,767.12	6,522.49	2,573.37	-	20,862.98
Other liabilities	469.04	110.42	288.37	394.73	1,262.56
Borrowings	6,054.32	5,892.31	5,627.29	5,255.18	22,829.10

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.9.9.1 Liquidity risk tables (contd.)

b) Expected maturity for derivative financial liabilities/(assets)

	Less than 1 month	1-3 months	3 months to 1 year	₹ Lakhs Total
<b>March 31, 2017</b>				
-foreign exchange forward contracts (gross settled)	25.34	38.95	36.47	100.76
-future commodity contracts (net settled)	(9.66)	(20.33)	-	(29.99)
<b>March 31, 2016</b>				
-foreign exchange forward contracts (gross settled)	2.10	3.86	5.32	11.28
-future commodity contracts (gross settled)	(7.24)	(25.21)	(115.20)	(147.65)
<b>April 1, 2015</b>				
-foreign exchange forward contracts (gross settled)	2.85	15.18	2.95	20.98
-future commodity contracts (gross settled)	4.27	18.93	70.23	93.43

##### 33.9.10 Financing facilities

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured bill acceptance facility, reviewed	<b>6,250.00</b>	<b>6,250.00</b>	<b>4,000.00</b>
- amount used	2,520.86	1,392.36	1,630.70
- amount unused	3,729.14	4,857.64	2,369.30
Secured bank overdraft facility :	<b>13,000.00</b>	<b>13,000.00</b>	<b>12,000.00</b>
- amount used	4,734.91	5,785.17	10,437.97
- amount unused	8,265.09	7,214.83	1,562.03
Secured letter of credit/ Bank Guarantee	<b>14,263.96</b>	<b>15,979.05</b>	<b>13,129.72</b>
- amount used	4,528.82	4,750.47	4,067.90
- amount unused	9,735.14	11,228.58	9,061.82
Secured bank loan facilities with various maturity dates through to March 31, 2018 and which may be extended by mutual agreement	<b>18,000.00</b>	<b>24,250.00</b>	<b>14,500.00</b>
- amount used	16,200.00	15,700.00	14,500.00
- amount unused	1,800.00	8,550.00	-

##### 33.9.11 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities

##### 33.9.11.1 Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined:

Financial assets / (liabilities)	Fair value as at			Fair value hierarchy (Levels)	Valuation techniques and key inputs
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
1) Foreign currency commodity future contracts designated as cash flow hedges	29.99	147.65	(93.43)	Level 2	Discounted cash flow
2) Foreign currency forward contracts other than designated as cash flow hedges	(100.76)	(11.28)	(20.98)	Level 2	Discounted cash flow
2) Investments in Equity instruments	0.06	0.07	0.09	Level 1	Quoted bid prices in an active market

Note There are no transfers from Level 1 and Level 2 during the year end March 31, 2017



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)**

33.9.11.2 Fair value of the financial assets and liabilities that are not measured at fair value

Except as detailed in the following table, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Fair value hierarchy (Levels)	₹ Lakhs					
		As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>							
Financial Assets at amortised cost :							
Loan to related party	Level 3	0.27	0.09	3.21	2.87	3.21	5.42
Loan to employees	Level 3	153.54	116.68	49.72	123.64	179.78	134.48
<b>Total</b>		<b>153.81</b>	<b>116.77</b>	<b>52.93</b>	<b>126.52</b>	<b>182.99</b>	<b>139.90</b>
<b>Financial Liabilities</b>							
Financial Liabilities held at amortised cost:							
Borrowings	Level 3	9,453.18	8,382.12	6,651.90	5,993.58	5,255.19	4,621.73
<b>Total</b>		<b>9,453.18</b>	<b>8,382.12</b>	<b>6,651.90</b>	<b>5,993.58</b>	<b>5,255.19</b>	<b>4,621.73</b>

The fair values of the financial assets and financial liabilities included in the level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counter parties.

**33.10 Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016**

As per Notification GSR 308(E) dated 30.03.2017 issued by Ministry of Corporate Affairs, the details of specified bank notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 are tabulated below:

Particulars	₹ Lakhs		
	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	12.37	17.13	29.50
Add: Cash balances with employees	0.18	-	0.18
Add: Permitted receipts	-	53.06	53.06
Less : Permitted payments	-	43.97	43.97
Less: Amount deposited into Bank	12.55	-	12.55
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>26.22</b>	<b>26.22</b>

Consolidated

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

#### 33.11 First-time Ind AS adoption reconciliation

#### A. Effect of Ind AS adoption on the Balance Sheet as at March 31, 2016 and April 1, 2015

Particulars	Notes	As at March 31, 2016 (end of last year presented under previous GAAP)			As at April 1, 2015 (Date of transition)		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet
<b>A. ASSETS</b>							
<b>1 Non-current assets</b>							
(a) Property, plant and equipment	(a)	22,976.28	(1,070.87)	21,905.41	21,433.43	(1,090.58)	20,342.85
(b) Capital work-in-progress		2,099.99	-	2,099.99	2,774.54	-	2,774.54
(c) Investment property		5.64	-	5.64	5.64	-	5.64
(d) Intangible assets	(b)	46,498.60	(46,200.00)	298.60	48,197.09	(47,850.00)	347.09
(e) Intangible assets under development		107.43	-	107.43	4.80	-	4.80
(f) Financial Assets							
(i) Investments	(c)	-	0.07	0.07	-	0.09	0.09
(ii) Loans		182.99	-	182.99	188.36	-	188.36
(iii) Other financial assets		644.11	-	644.11	449.58	-	449.58
(g) Non-current tax assets		131.97	-	131.97	119.86	-	119.86
(h) Other non-current assets	(a),(d)	2,231.80	997.34	3,229.14	2,827.53	266.34	3,093.87
(i) Deferred tax assets (net)		9.57	-	9.57	-	-	-
<b>Total Non-current assets</b>		<b>74,888.38</b>	<b>(46,273.46)</b>	<b>28,614.92</b>	<b>76,000.83</b>	<b>(48,674.15)</b>	<b>27,326.68</b>
<b>2 Current assets</b>							
(a) Inventories		23,805.77	-	23,805.77	25,954.74	-	25,954.74
(b) Financial Assets							
(i) Trade receivables		7,053.98	-	7,053.98	4,891.84	-	4,891.84
(ii) Cash and cash equivalents		651.36	-	651.36	658.84	-	658.84
(iii) Other balances with banks		70.28	-	70.28	49.17	-	49.17
(iv) Loans		3,627.35	-	3,627.35	56.26	-	56.26
(v) Other financial assets		459.62	-	459.62	832.11	-	832.11
(c) Other current assets	(a),(d)	2,672.67	(10.95)	2,661.72	4,285.26	(6.03)	4,279.23
<b>Total current assets</b>		<b>38,341.03</b>	<b>(10.95)</b>	<b>38,330.08</b>	<b>36,728.22</b>	<b>(6.03)</b>	<b>36,722.19</b>
<b>TOTAL ASSETS</b>		<b>1,13,229.41</b>	<b>(46,284.41)</b>	<b>66,945.00</b>	<b>1,12,729.05</b>	<b>(48,680.18)</b>	<b>64,048.87</b>
<b>B. EQUITY AND LIABILITIES</b>							
<b>1 Equity</b>							
(a) Equity Share capital		3,634.36	-	3,634.36	3,634.36	-	3,634.36
(b) Other Equity	(b),(c),(d)	62,325.00	(45,329.66)	16,995.33	58,826.05	(47,868.84)	10,957.21
<b>Equity attributable to owners of the Company</b>		<b>65,959.36</b>	<b>(45,329.66)</b>	<b>20,629.69</b>	<b>62,460.41</b>	<b>(47,868.84)</b>	<b>14,591.57</b>
Non-controlling interest	(e)	-	(0.05)	(0.05)	-	(0.03)	(0.03)
<b>Total equity</b>		<b>65,959.36</b>	<b>(45,329.72)</b>	<b>20,629.64</b>	<b>62,460.41</b>	<b>(47,868.87)</b>	<b>14,591.54</b>
<b>Liabilities</b>							
<b>2 Non-current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	(d)	6,695.54	(43.64)	6,651.90	5,280.90	(25.71)	5,255.19
(ii) Other financial liabilities		394.73	-	394.73	394.73	-	394.73
(b) Provisions		545.18	-	545.18	537.63	-	537.63
(c) Deferred tax liabilities (net)		-	-	-	886.49	(765.33)	121.16
<b>Total non-current liabilities</b>		<b>7,635.45</b>	<b>(43.64)</b>	<b>7,591.81</b>	<b>7,099.75</b>	<b>(791.04)</b>	<b>6,308.71</b>
<b>3 Current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	(d)	8,487.46	12.90	8,500.36	14,116.42	25.08	14,141.50
(ii) Trade payables		20,070.06	-	20,070.06	20,862.98	-	20,862.98
(iii) Other financial liabilities	(d),(e)	5,643.63	(28.74)	5,614.90	4,442.49	(27.82)	4,414.67
(b) Other current liabilities	(e)	2,303.51	(20.38)	2,283.13	1,881.60	(17.53)	1,864.07
(c) Provisions	(f)	2,003.53	(874.84)	1,128.69	928.45	-	928.45
(d) Current Tax Liabilities (net)		1,126.41	-	1,126.41	936.95	-	936.95
<b>Total current liabilities</b>		<b>39,634.60</b>	<b>(911.05)</b>	<b>38,723.54</b>	<b>43,168.89</b>	<b>(20.27)</b>	<b>43,148.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,13,229.41</b>	<b>(46,284.41)</b>	<b>66,945.00</b>	<b>1,12,729.05</b>	<b>(48,680.18)</b>	<b>64,048.87</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)**

**33.11 First-time Ind AS adoption reconciliation (Contd.)**

**B. Reconciliation of total equity as at March 31, 2016 and April 1, 2015**

Particulars	Notes	₹ Lakhs	
		As at March 31, 2016 (End of last year presented under previous GAAP)	As at April 1, 2015 (Date of transition)
<b>Total equity under previous GAAP</b>		<b>65,959.36</b>	<b>62,460.41</b>
a) Eveready Brand de-recognition		(47,850.00)	(47,850.00)
b) Effect of amortization on de-recognition of Eveready brand	(b)	1,650.00	-
c) Effect of recognizing interest expense on Term loan as per effective interest method	(b)	(13.72)	(15.49)
d) Effect of recognizing derivative instruments other than designated as Cash Flow Hedge at Fair Value	(f)	9.10	(3.47)
e) Final Dividend (including tax thereon) to be recognized in the period when declared in general meeting	(g)	874.84	-
f) Effect of recognizing investment at fair value through profit and loss	(c)	0.07	0.09
g) Effect of share of loss allocated to non-controlling interest	(e)	0.05	0.03
Total effect of conversion to Ind AS		<b>(45,329.66)</b>	<b>(47,868.84)</b>
<b>Total equity under Ind AS</b>		<b>20,629.70</b>	<b>14,591.57</b>

**C. Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2016**

Particulars	Notes	₹ Lakhs		
		As at March 31, 2016 (End of last year presented under previous GAAP)		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS
Revenue from operations		1,39,426.46	-	1,39,426.46
Less: Excise Duty		7,060.04	(7,060.04)	-
<b>1 Revenue from operations (net)</b>	(g)	<b>1,32,366.42</b>		<b>1,39,426.46</b>
<b>2 Other income</b>		777.03	-	777.03
<b>3 Total Income (1 + 2)</b>		<b>1,33,143.45</b>	<b>7,060.04</b>	<b>1,40,203.49</b>
<b>4 Expenses</b>				
(a) Cost of materials consumed		57,615.42	-	57,615.42
(b) Purchases of stock-in-trade (traded goods)		23,689.66	-	23,689.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		1,571.68	-	1,571.68
(d) Excise duty	(g)	-	7,060.04	7,060.04
(e) Employee benefit expense	(h)	13,156.14	(151.11)	13,005.03
(f) Finance costs	(d)	3,099.94	(15.42)	3,084.52
(g) Depreciation and amortisation expenses	(a),(b)	3,059.30	(1,669.73)	1,389.57
(h) Other expenses	(a),(e)	24,206.61	20.82	24,227.43
<b>Total expenses</b>		<b>1,26,398.75</b>	<b>5,244.60</b>	<b>1,31,643.34</b>
<b>5 Profit before tax (3 - 4)</b>		<b>6,744.70</b>	<b>1,815.44</b>	<b>8,560.14</b>
<b>6 Tax expense:</b>				
(a) Current tax expense	(h)	1,815.85	32.25	1,848.10

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.11 First-time Ind AS adoption reconciliation (Contd.)

₹ Lakhs

Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS
(b) Minimum alternate tax utilized		(344.32)	-	(344.32)
(c) Net current tax expense		1,471.53	32.25	1,503.78
(d) Deferred tax	(i)	213.59	(59.85)	153.74
<b>Net tax expense (c + d)</b>		<b>1,685.12</b>	<b>(27.60)</b>	<b>1,657.52</b>
<b>7 Profit for the year (5 - 6)</b>		<b>5,059.58</b>	<b>1,843.05</b>	<b>6,902.63</b>
Share of Minority interest (previous GAAP)		0.02	(0.02)	-
<b>8 Other Comprehensive Income</b>				
i) Items that will not be reclassified to profit or loss				
a) Remeasurement loss on defined benefit plans	(h)	-	(151.11)	(151.11)
b) Income tax related to above	(h)	-	32.25	32.25
ii) Items that will be reclassified to profit or loss				
a) Effective portion of gain on hedging instrument in cash flow hedge reserve	(i)	-	172.94	172.94
b) Income tax related to above	(i)	-	(59.85)	(59.85)
<b>Total other comprehensive income</b>		<b>-</b>	<b>(5.77)</b>	<b>(5.77)</b>
<b>9 Total comprehensive income (7 + 8)</b>		<b>5,060.59</b>	<b>1,837.26</b>	<b>6,896.86</b>

#### D. Reconciliation of total comprehensive income for the year ended March 31, 2016

₹ Lakhs

Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)
<b>1. Net Profit after tax as reported under previous GAAP</b>		<b>5,059.60</b>
Adjustments related to Ind AS transition		
a) Effect of amortisation on de-recognition of Eveready brand	(b)	1,650.00
b) Effect of recognising interest expense on term loan as per effective interest method	(d)	1.77
c) Effect of recognizing derivative instruments other than designated as cash flow hedge at fair value	(f)	12.56
d) Effect of Actuarial loss on defined benefit plans taken to other comprehensive income (net of tax)	(i)	118.86
e) Effect of deferred tax on cash flow hedge reserve taken to other comprehensive income	(j)	59.85
f) Effect of fair valuation of investment through profit and loss	(c)	(0.02)
g) Effect of fair valuation of investment through profit and loss	(e)	0.02
<b>2. Total effect on conversion to Ind AS</b>		<b>1,843.04</b>
<b>3. Profit after tax as reported under Ind AS (1 + 2)</b>		<b>6,902.64</b>
4. Other comprehensive income (net of tax)	(d)	(5.77)
<b>5. Total comprehensive income as reported under Ind AS (3 + 4)</b>		<b>6,896.87</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note Particulars**

**33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)**

**33.11 First-time Ind AS adoption reconciliation (Contd.)**

**E. Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016**

₹ Lakhs

Particulars	Notes	As at March 31, 2016 (end of last year presented under previous GAAP)		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS
A. Net cash generated from operating activities		12,468.20	-	12,468.20
B. Net cash used in investing activities		(5,644.78)	-	(5,644.78)
C. Net cash used in financing activities		(6,856.48)	(1,101.02)	(7,957.50)
<b>Net decrease in cash and cash equivalents(A+B+C)</b>		<b>(33.06)</b>	<b>(1,101.02)</b>	<b>(1,134.08)</b>
Cash and cash equivalents at the beginning of the year		658.84	(4,198.51)	(3,539.67)
Effects of exchange rate changes on the balance of cash held in foreign currencies		25.58	-	25.58
<b>Cash and cash equivalents at the end of the year</b>		<b>651.36</b>	<b>(5,299.53)</b>	<b>(4,648.17)</b>

**F. Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purposes of Statement of Cash flow under Ind AS**

Particulars	Notes	As at March 31, 2016 (End of last year presented under previous GAAP)	As at April 1, 2015 (Date of transition)
Cash and Cash equivalents for the purposes of statement of cash flows as per previous GAAP		651.36	658.84
Bank Overdrafts	(a)	(5,299.53)	(4,198.51)
<b>Cash and cash equivalents as per statement of cash flows under Ind AS</b>		<b>(4,648.17)</b>	<b>(3,539.67)</b>

**Explanation to first-time Ind AS adoption reconciliation**

SI No	Particulars
(a)	Under previous GAAP, one time lease premium payments for operating leases were capitalized and included in property, plant and equipment and depreciation charged thereon over the lease term. Under Ind AS 17 "Leases", such payments have been classified and accounted for as prepaid expenses, under other assets (current and non-current) in the Balance Sheet. As a result of this, property, plant and equipment as at March 31, 2016 and April 1, 2015 has reduced by ₹1,070.87 Lakhs and ₹ 1,090.58 Lakhs respectively and depreciation expense for the year ended March 31, 2016 has reduced by ₹ 19.73 Lakhs, with corresponding increase in other expenses for the period ended March 31, 2016.
(b)	Value of Eveready brand as at April 01, 2015 (the transition date) was de-recognised since Ind AS 38 "Intangible Assets" does not allow recognition of internally generated brands. Therefore, value of the brand as at April 1, 2015 of ₹ 47,850 Lakhs has been de-recognised. Based on expert opinion, the de-recognition was adjusted, against general reserve and retained earnings. Consequently, intangible assets as at March 31, 2016 and April 1, 2015 has reduced by ₹ 46,200 Lakhs and ₹ 48,750 Lakhs respectively and depreciation expense for the year ended March 31, 2016 has reduced by ₹1,650 lakhs, with corresponding increase in equity as at March 31, 2016.
(c)	As per Ind AS 109 "Financial Instruments", investment in other equity has been measured at fair value through profit and loss. This has increased the carrying value of investment as at March 31, 2016 and April 1, 2015 by ₹ 0.07 Lakhs and ₹ 0.09 Lakhs respectively, with corresponding increase in equity to the same extent for respective years. Accordingly, profit for the year ended March 31, 2016 has reduced by ₹ 0.02 lakhs.
(d)	Under previous GAAP, the transaction costs incurred on the borrowings were amortised and charged to profit and loss over the tenure of the borrowings. The unamortised costs were included in loans and advances. Under Ind AS 109 "Financial Instruments", the transaction costs are included in the borrowings on initial recognition and have been charged to profit and loss using effective interest method.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.) 33.11 First-time Ind AS adoption reconciliation (Contd.)

Sl No	Particulars
(e)	Under previous GAAP, non-controlling interests were presented in the consolidated balance sheet separately from liabilities and the equity of the parent's shareholders. Under Ind AS, non-controlling interests are presented in the consolidated balance sheet within total equity, separately from the equity attributable to the owners of the Company.
(f)	Under previous GAAP, open foreign exchange forward contracts other than designated as cash flow hedges as at each Balance Sheet date were restated at the year end rates. Under Ind AS 109 "Financial Instruments", such contracts have been marked-to-market at each Balance Sheet date.
(g)	Under Previous GAAP, proposed dividend(including dividend distribution tax thereon) was recognised as a provision in the year to which it relates, irrespective of when it is declared. Under Ind AS, dividend (including dividend distribution tax thereon) is recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company. The impact of this change is an increase in total equity by ₹ 874.84 Lakhs as at March 31,2016, although this does not affect profit before tax and profit for the year ended March 31,2016.
(h)	Under previous GAAP, excise duty was netted off against sale of goods. However, under Ind AS, excise duty is included in sale of goods and is separately presented as expense on the face of Statement of Profit and Loss. Thus, sale of goods under Ind AS has increased with a corresponding increase in expenses.
(i)	Under previous GAAP, actuarial gains and losses were recognised in profit and loss.Under Ind AS 19 "Employee Benefits", actuarial gains and losses(including the tax effect on the same) have been recognised in other comprehensive income. This change has resulted in increase in profit for the year ended March 31, 2016 by ₹ 118.86 Lakhs (net of income tax of ₹ 32.25 Lakhs).
(j)	Under previous GAAP, effective portion of changes in value of derivative contracts designated as cash flow hedges were recognised directly in cash flow hedge reserve under reserves and surplus. Under Ind AS, the same is recognised under other equity as part of other comprehensive income.
(k)	Under previous GAAP, movement in cash credit facilities, repayable on demand were reflected in cash flows from financing activities. Under Ind AS, such cash credit facilities are included in cash and cash equivalents for the purpose of presentation of cash flows.
(l)	Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of expenses,incomes, losses and gains are required to be presented in other comprehensive income.

#### 33.12 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

(a) As at and for the year ended March 31, 2017

Name of the entity in the group	Net assets, i.e. total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share of Total comprehensive income	
	As % of consolidated net assets	₹ Lakhs	As % of consolidated profit or loss	₹ Lakhs	As % of consolidated other comprehensive income	₹ Lakhs	As % of consolidated total comprehensive income	₹ Lakhs
Evereedy Industries India Limited (Parent Company)	107.49%	31,117.54	150.59%	14,083.98	100.00%	(171.73)	151.53%	13,912.25
Subsidiaries								
Indian								
1. Greendale India Limited (formerly known as Litez India Limited)	0.07%	20.28	(0.08%)	(7.66)	0.00%	-	(0.08%)	(7.66)
Foreign								
1. Everspark Hongkong Private Limited	(7.56%)	(2,187.63)	(50.50%)	(4,723.49)	0.00%	-	(51.45%)	(4,723.49)
Non controlling Interest in all subsidiaries	0.00%	-	0.00%	0.01	0.00%	-	0.00%	0.01
<b>TOTAL</b>	<b>100.00%</b>	<b>28,950.19</b>	<b>100%</b>	<b>9,352.84</b>	<b>100%</b>	<b>(171.73)</b>	<b>100%</b>	<b>9,181.11</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note Particulars

#### 33 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

##### 33.12 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 (Contd.)

(b) As at and for the year ended March 31, 2016

Name of the entity in the group	Net assets, i.e. total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	₹ Lakhs	As % of consolidated profit or loss	₹ Lakhs	As % of consolidated other comprehensive income	₹ Lakhs	As % of consolidated total comprehensive income	₹ Lakhs
Eveready Industries India Limited (Parent Company)	106.67%	22,004.90	157.98%	10,904.82	100.00%	(5.77)	158.03%	10,899.05
Subsidiaries								
Indian								
1. Greendale India Limited (formerly known as Litez India Limited)	0.01%	4.13	(0.06%)	(5.76)	0.00%	-	(0.08%)	(5.76)
Foreign								
1. Everspark Hongkong Private Limited	(6.69%)	(1,379.38)	(57.90%)	(3,996.42)	0.00%	-	(57.95%)	(3,996.42)
Non controlling Interest in all subsidiaries	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
<b>TOTAL</b>	<b>100%</b>	<b>20,629.65</b>	<b>100%</b>	<b>6,902.62</b>	<b>100%</b>	<b>(5.77)</b>	<b>100%</b>	<b>6,896.85</b>

#### 33.13 Details of the Company's subsidiaries at the end of reporting period are as follows:

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company		
			As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1. Everspark Hongkong Private Limited	Engaged in raw material trading on behalf of Parent Company	Hongkong	100%	100%	100%
2. Greendale India Limited (formerly known as Litez India Limited)	Marketing of torches	India	99.60%	99.60%	99.60%

#### 33.14 Approval of consolidated financial statements

The consolidated financial statements were approved for issue by the Board of Directors on May 30, 2017.

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Abhijit Bandyopadhyay**  
Partner

Place: Kolkata

Date: May 30, 2017

**Suvamoy Saha**  
Wholetime Director & CFO

**Amritanshu Khaitan**  
Managing Director

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary

Place: Kolkata

Date: May 30, 2017

Consolidated

## STATEMENT OF SUBSIDIARIES

### FORM AOC-I

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

### Part "A": Subsidiaries

														₹ Lakhs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding Company's reporting Period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Other Equity	Total assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of shareholding
1	Everspark Hong Kong Private Limited Greendale India Limited	NA	HKD (1HKD= ₹.8.3464 )	260.61	6.79	2701.28	2701.28	-	4665.59	-	-	-	-	100%
2	(formerly known as Litez India Limited)	NA	NA	5.00	(15.79)	35.35	35.35	-	215.69	2.29	0.49	1.80	-	99.60%

Part "B": Associates and Joint Ventures : Not Applicable

For and on behalf of the Board of Directors

**Suvamoy Saha**  
Wholtime Director & CFO

**Amritanshu Khaitan**  
Managing Director

**Tehnaz Punwani**  
Vice President - Legal & Company Secretary  
Place: Kolkata  
Date: May 30, 2017

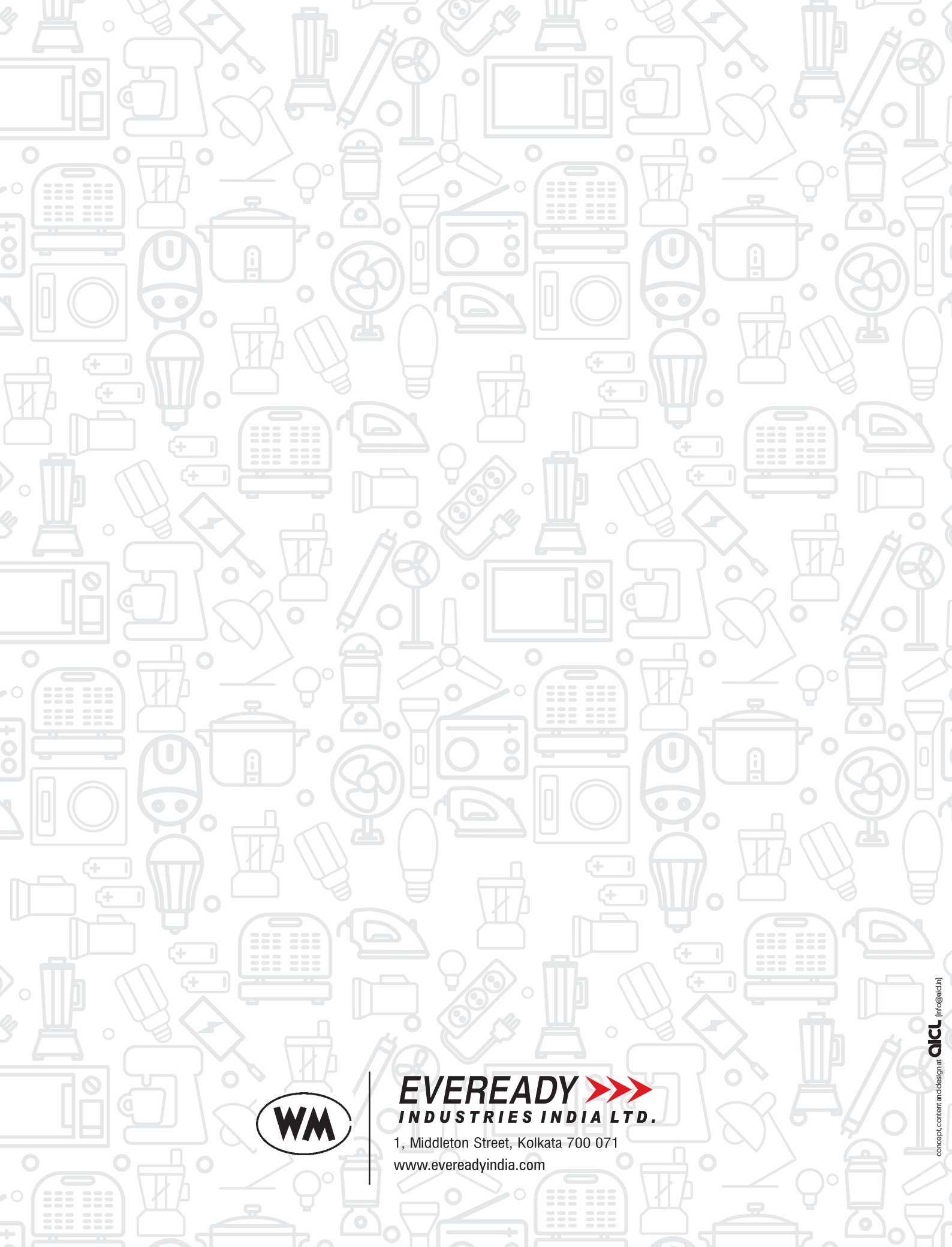












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