Ref No.EIL/SEC/2018-19/35

4th August, 2018

The Secretary **The Calcutta Stock Exchange Limited** 7 Lyons Range Kolkata - 700 001 CSE Scrip Code: 15060 & 10015060	The Secretary **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 BSE Scrip Code: 500086
The Secretary **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 NSE Symbol: EXIDEIND	-

Dear Sir/Madam,

Sub: Submission of Annual report for the financial year 2017-18

Please find enclosed Annual report for the financial year 2017-18 as required under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the members at the Annual General Meeting of the Company held on Thursday, 2nd August, 2018.

This is for your information and records.

Thanking you.

Yours faithfully,
For Exide Industries Limited

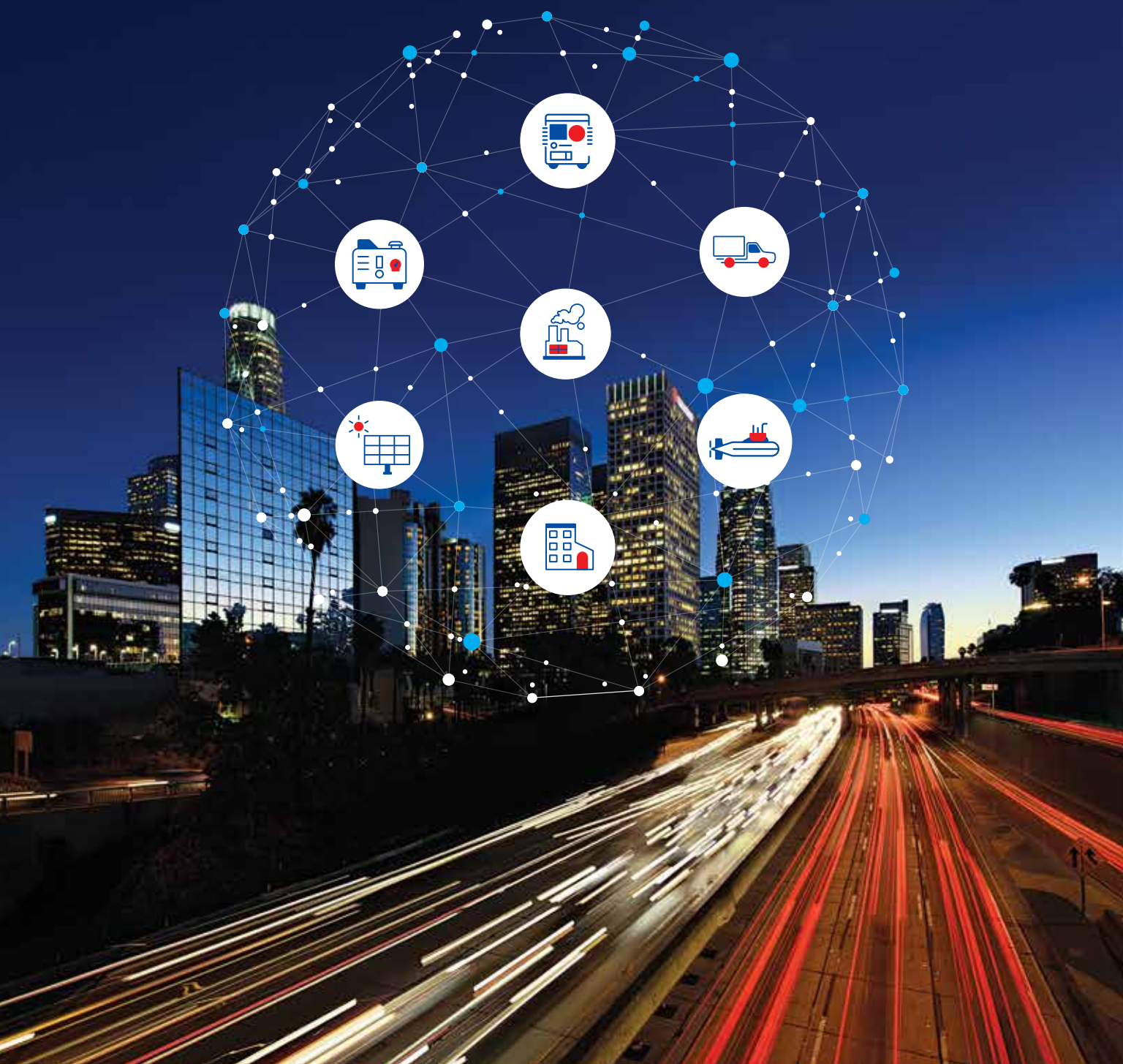
Jitendra Kumar
Company Secretary and
EVP- Legal & Admin
ACS No. 11159

Encl: a/a

2017-18
ANNUAL REPORT I EXIDE INDUSTRIES LIMITED

EXIDE

Smart Strategies. Smarter Solutions.



Inside this Report

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Highlights of FY 2017-18

Rs. 9,186 crore
Net Turnover
21% (Y-o-Y)

Rs. 1,241 crore
Operating Profit (EBIDTA)
15% (Y-o-Y)

Rs. 1,048 crore
Profit Before Tax*
7% (Y-o-Y)

Rs. 18,870 crore
Market capitalisation as on 31st March, 2018

Y-o-Y: Growth in 2017-18 vis-a-vis 2016-17

*Before Exceptional Item

Equity Share Information

National Stock Exchange (NSE): EXIDEIND

Bombay Stock Exchange (BSE): 500086

Calcutta Stock Exchange (CSE): 15060 & 10015060

Promoters' holding as on 31st March, 2018: 45.99%

Proposed Final dividend:
80% (Re. 0.80 per share on face value of Re. 1/- per share)

Forward-looking statement

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

As we look towards the future, we see that the opportunity landscape around us is widening. With the mindset of a constant and agile learner, we are transforming from a product manufacturer to a comprehensive energy solutions provider by integrating advanced technologies into our operations.

We are now focusing on bringing in the new-age technologies, both in conventional as well as in digital space to provide our customers a whole new spectrum of conveniences on a real-time basis. At the same time, we have revamped our brand identity to connect better with the energetic, ambitious and aspirational New India.

We are strengthening global technology collaborations for product development and focusing on higher quality benchmarks and operational efficiencies. We are also exploring new markets, expanding our digital outreach, elevating our service excellence and embracing new opportunities in India and other geographies.

Our strategies today are now more holistic, our solutions smarter and business approach more futuristic. On the strength of our seven decades of leadership and culture of innovation, we are shaping our way forward.

We are living our vision and loving the journey



Exide Powers Possibilities

THE NATION RELIES ON EXIDE AND ITS DECADES-RICH LEGACY OF INNOVATION AND TECHNOLOGICAL UPGRADATIONS. THE BRAND POWERS THE ASPIRATIONS OF MILLIONS OF PEOPLE ACROSS THE SOCIAL SPECTRUM.



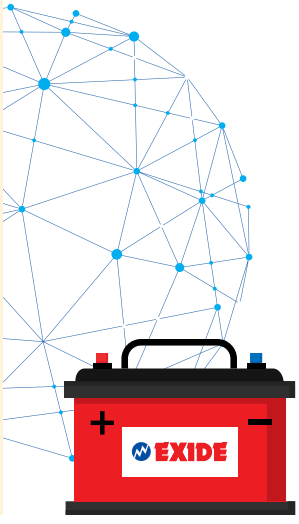
SUSTAINING LEADERSHIP
India's most reliable energy solutions brand

Leadership position
No. 1

Offers one of the widest battery storage range from
2.5 Ah to 20,200 Ah

Robust annual capacity of
42.7 mn units
Automotive and MC battery and
4,500 mn Ah
Industrial battery

Pan-India outreach through
48,000+ outlets and 180+ sales and service touch points



Exide Industries Limited (Exide) is India's largest manufacturer of lead acid storage batteries for both automotive and industrial applications. It is also a comprehensive power storage solutions provider in the areas of equipment selection, battery sizing, optimum room layout, installation and operation and maintenance.

At Exide, we specialise in both conventional flooded as well as the latest VRLA batteries. We design, manufacture, market and sell the widest range of lead acid storage batteries. Our batteries enjoy the widest application in industries, including automotive, power, telecom, infrastructure projects, computer industries and railways, as well as in the mining and defence sectors.

Our manufacturing strength includes nine factories strategically located all over India, of which seven factories are dedicated to batteries and the other two manufacture Home UPS Systems. We are the only company having multilocational manufacturing units across India, equipped with best-in-class technologies. On the strength of our R&D capabilities, manufacturing excellence and distribution outreach, we have steadily evolved as one of India's largest manufacturers and exporters of batteries in the sub-continent.

Our international collaborations are instrumental in keeping us ahead of the competition curve. Our technology partners include Hitachi Chemical (Shin Kobe) and Furukawa of Japan, Zhejiang Chaowei Chuangyuan Shiya of China, East Penn of the US and its subsidiary company Ecoult of Australia and Advanced Battery Concepts LLC of USA (ABC).

OUR CAPEX OUTLAY

Since FY 2015-16, we have committed significant capital expenditure (capex), anticipating business needs. The capex has helped us enhance our manufacturing capacity and upgrade technology base, resulting in improved performance of automotive batteries and other energy storage applications. During FY 2017-18, our capex stood at more than Rs. 750 crores, primarily in different manufacturing plants. Our key objective for undertaking this capex was to meet global standards for different applications.



VISION

To become a Global Power House respected by customers and preferred by investors, known for innovative products and solutions.



MISSION

To outperform at market, exceeding expectations of customers and shareholders through the accelerated evolution of people, processes and technologies in its journey towards excellence.



CORE VALUES

- Leadership
- Integrity
- People Development and Involvement
- Agility
- Passion for Innovation and Technology
- Channel Partner Relationship
- Striving for Excellence
- Customer Orientation
- Management by Processes and Facts
- Responsible Corporate Citizenship

EXTENSIVE APPLICATIONS

Brand Exide is synonymous with batteries and portable energy solutions across industries. We lead from the front in the areas of product innovation and technology upgradation. Over the years, we have evolved by consistently catering to the demands of customers and building a brand of trust and reliability.

Automotive Batteries

- Passenger vehicles
- Automotive Stop-Start
- Commercial vehicles
- Tractors



Two Wheelers

- MC conventional
- Motorcycle MF
- MC VRLA
- E-Bike



Other Automotive

- Li-ion hybrid vehicles
- Generator starting
- Flat plate GEL



Motive Power

- Traction
- Electric vehicles
- Golf cart
- Miner's cap lamp
- Submarine - Type I, II, III



Standby

- Power
- Telecom
- UPS
- Inverter



Railways

- Train lighting and Air Conditioning
- Electric multiple units
- Diesel loco starters
- Signalling and Telecom



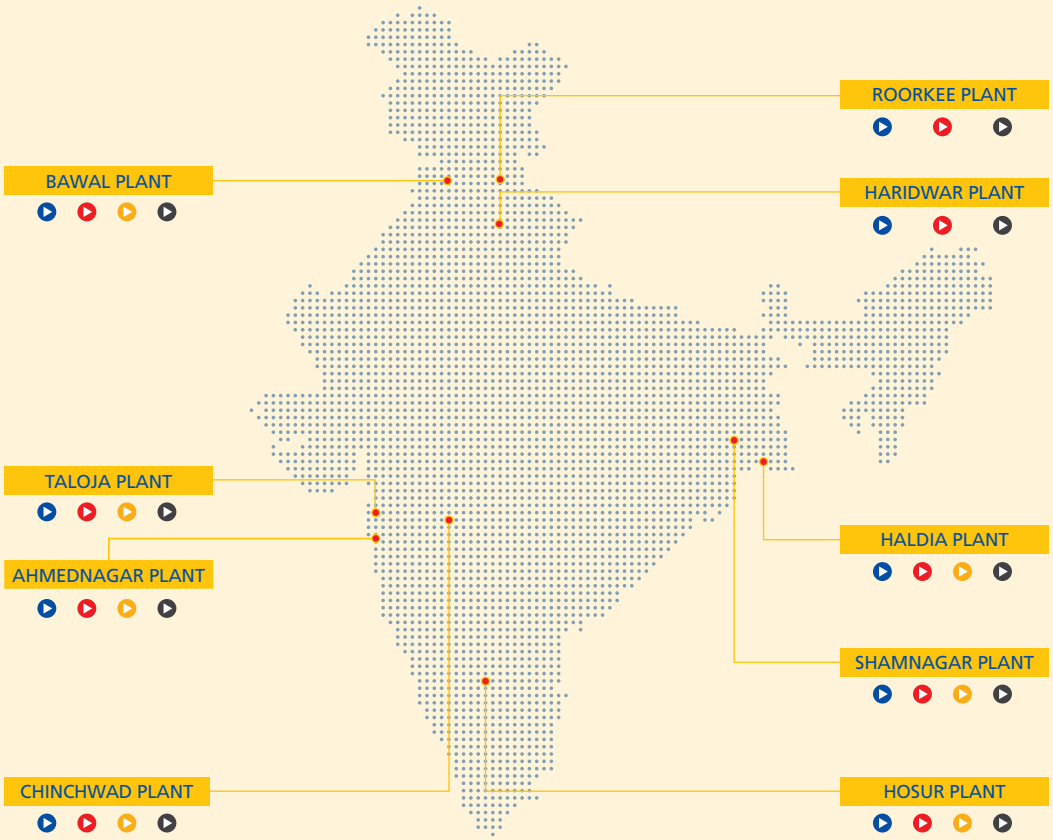
Non-Conventional Energy

- Solar



Growing Global Operations

MANUFACTURING CAPACITIES



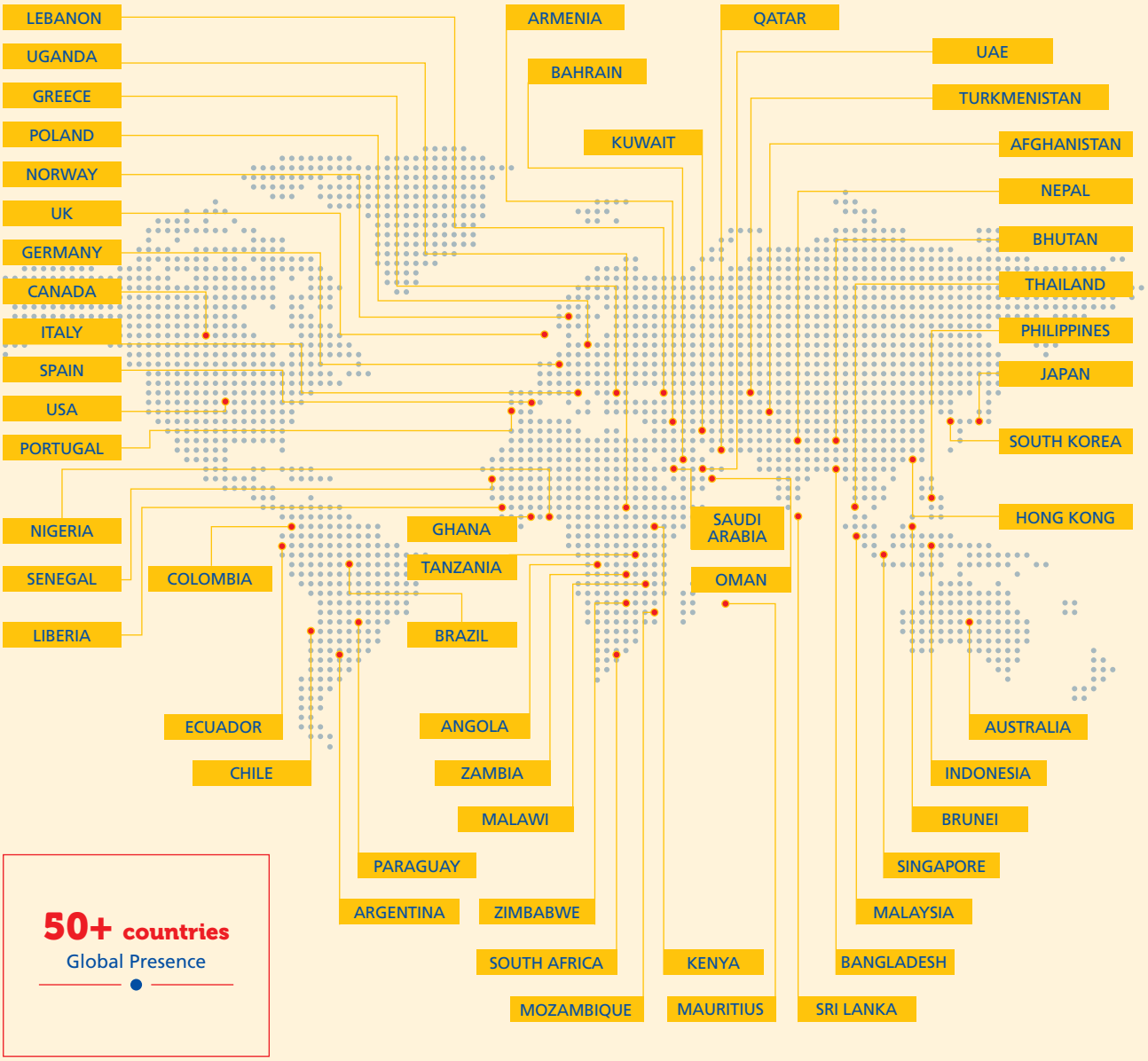
Locational Advantage

- Multi-locational facilities evade supply risks, ensuring delivery
- Strategically located near markets
- Proximity to ports facilitate cost-efficient exports and imports

Legend

- ISO 9001:2015
- ISO 14001:2015
- IATF 16949-2016
- OHSAS 18001:2007

GEOGRAPHIC PRESENCE



50+ countries
Global Presence

Progressing Sustainably

TURNOVER (NET)

RS. IN CRORE

2017-18	9,186
2016-17	7,583
2015-16	6,848
2014-15	6,866
2013-14	5,964
2012-13	6,071
2011-12	5,107
2010-11	4,554
2009-10	3,794
2008-09	3,393

10-YEAR CAGR 12% Y-O-Y GROWTH 21%

OPERATING PROFIT (EBIDTA)

RS. IN CRORE

2017-18	1,241
2016-17	1,082
2015-16	1,026
2014-15	917
2013-14	825
2012-13	790
2011-12	687
2010-11	903
2009-10	893
2008-09	549

10-YEAR CAGR 10% Y-O-Y GROWTH 15%

PROFIT BEFORE TAX (PBT)*

RS. IN CRORE

2017-18	1,048
2016-17	976
2015-16	908
2014-15	798
2013-14	723
2012-13	742
2011-12	645
2010-11	893
2009-10	811
2008-09	435

10-YEAR CAGR 10% Y-O-Y GROWTH 7%

*Before Exceptional Item

PROFIT AFTER TAX (PAT)

RS. IN CRORE

2017-18**	668
2016-17	694
2015-16	624
2014-15	546
2013-14	487
2012-13	523
2011-12	461
2010-11	666
2009-10	537
2008-09	284

10-YEAR CAGR 10%

**Profit after tax for 2017-18 was lower, compared to previous year, due to exceptional items and higher incidence of tax

DIVIDEND PAYOUT

RS. IN CRORE

2017-18#	246
2016-17	243
2015-16	243
2014-15	220
2013-14	178
2012-13	156
2011-12	145
2010-11	140
2009-10	95
2008-09	56

#Proposed

SHAREHOLDERS' FUNDS

RS. IN CRORE

2017-18	5,389
2016-17	4,964
2015-16	4,511
2014-15	4,032
2013-14	3,708
2012-13	3,399
2011-12	3,032
2010-11	2,715
2009-10	2,190
2008-09	1,218

CONTRIBUTION TO THE EXCHEQUER

RS. IN CRORE

2017-18	1,730
2016-17	1,562
2015-16	1,516
2014-15	1,358
2013-14	1,289
2012-13	1,280
2011-12	1,045
2010-11	1,035
2009-10	865
2008-09	779

EARNINGS PER SHARE

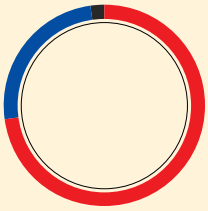
RS.

2017-18	7.86
2016-17	8.16
2015-16	7.35
2014-15	6.42
2013-14	5.73
2012-13	6.15
2011-12	5.43
2010-11	7.84
2009-10	6.32
2008-09	3.55

SOURCES OF FUNDS

IN %

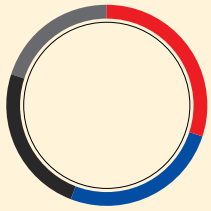
Shareholders' Funds	73
Payable for goods supplied & services rendered	25
Deferred Tax Liability	2
Borrowings	Nil



APPLICATION OF FUNDS

IN %

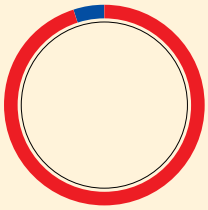
Fixed Assets	30
Investments	26
Inventories	24
Customers and Others	20



REVENUE MIX (GEOGRAPHY-WISE)

IN %

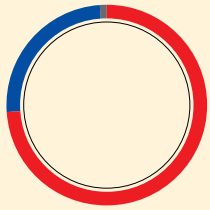
Domestic	95
Export	5



REVENUE MIX (BUSINESS-WISE)

IN %

Automotive	74
Industrial	25
Others	1



Opportunity landscape for smarter solutions





MACRO-ECONOMIC TRENDS

- Faster urbanisation, with rising middle-class population
- Growing disposable income, driving higher aspirations
- Higher employment rate across urban and rural India
- Wide-ranging reforms such as Make in India, Digital India and Smart cities, among others
- Implementation of GST, accelerating demand shift from unorganised to organised players
- Greater Government emphasis on infrastructure

INDUSTRY DEVELOPMENTS

- Surging scale of automobile manufacturers across two-wheelers, three-wheelers and four-wheelers
- Widening growth of telecom towers, driven by a robust growth plan of telecom operators
- Implementation of smart grid projects
- Deployment of vehicle-charging infrastructure
- Increasing usage of hybrid and electric vehicles
- Growing installation of renewable energy systems

NEW ADVANCEMENTS

- Growing trend of consumer preferences for extended battery life
- Need for higher storage efficiencies with recharge from empty to full in minutes
- Integration of electronics in storage batteries, allowing performance monitoring and remote-control access
- Enhanced relevance of alternative chemistries in battery (apart from lead acid)

Smarter Technologies to Touch Tomorrow



THE NEXT-GENERATION TECHNOLOGY IN ENERGY STORAGE IS ALL ABOUT USHERING IN QUANTUM CHANGE IN EFFICIENCY, RELIABILITY, LIFE AND COST. EXIDE IS AT THE FOREFRONT OF EXPLORING MULTIPLE OPTIONS TO BRING IN THE ADVANCED STORAGE TECHNOLOGIES, CUTTING ACROSS APPLICATIONS, AND ELEVATE THE BUSINESS TO A NEW TECHNOLOGY ERA.

Future-ready Battery
We collaborated with East Penn Manufacturing (US) and its subsidiary Ecoult, Australia for developing energy storage system and solution technologies, which complement the breakthrough Ultra Battery technology. This technology can have a major potential in the automotive and industrial portfolio by addressing the requirements of high-performance batteries with quick recharging capability.

AUTOMOTIVE

Revolutionary Punched Grid Technology: To revolutionise the battery market, we introduced the Punched Grid technology in India, in collaboration with East Penn



Manufacturing Company (one of the largest American lead acid battery manufacturers). Punched Grid batteries deliver top-notch performance compared to batteries manufactured with any other plate-making technology.

The punching system not only produces consistent grids at a very high production rate, but also increases overall plant efficiencies. This technology will, in the long run, help increase the production rate. The battery grid punching system can also address the demand of end customers and the needs of manufacturers. Besides, the Punched Grid technology has reported an increase in the lifespan of batteries, compared to the present lifetime.

Maintenance-free Sealed Range: We launched the 'country's first', completely sealed and maintenance-free battery for the automotive aftermarket. The new battery, 'Advanz', is currently the only one of its kind in the Indian market that does not require any topping up. Among other advanced features, this is the only battery equipped with a magic eye that can accurately indicate the health of the battery and determine its end-of-life.

Enhanced Flooded Battery (EFB): EFB battery to replace conventional batteries, both in OEM and replacement segments. Features such as high dynamic charge acceptance and Programmable System-on-Chip life cycle will meet the major market challenges in near future.



Other Product Launches: We introduced the Exide EPIQ range of highest warranty term batteries, Exide CABBY range of app taxi batteries and Exide GOLD range of low-cost batteries.

Future Priorities:

- Roll-out commercial production of Ultra batteries
- Introduce multi-tier solutions for different application segments, within the scope of energy storage
- Scale up Punched Grid-based product roll out
- Launch high-power-to-energy-ratio battery for E-Rickshaw application

INDUSTRIAL

Introduced new technology: Paste filling for traction batteries, resulting in high life cycle, uniform capacity distribution and better adhesion/ bonding of Positive Active Mass (PAM) with spine

Developed new capabilities in existing battery products:

- Special design tubular spine for 12V150Ah solar batteries to increase utilisation
- Improvement of charge acceptance for better 'Partial State of Charge (PSoC)' operation of 2V Gel batteries for solar application
- Changeover of 2V HR container to PP container–for railway signalling application
- Improve opportunity charging of motive power application

Advanced GEL in energy storage application: Lead acid batteries are very well-established industrial applications and have been successfully applied for utility energy storage. Lead batteries are capable of long cycle and calendar lives. We are working on advanced GEL batteries with improved charge acceptance under PSoC condition.

GEL in train lighting: We are working on a maintenance-free solution for train lighting applications and have received an approval for the development of these batteries.

Future Priorities: Introduce new cell types as per Japanese Motive Power specification (JI)

Quality Assurance Builds Future Preparedness



AT EXIDE, WE HAVE ALIGNED OUR QUALITY PRACTICES WITH GLOBAL INDUSTRY BENCHMARKS TO RAISE THE COMPETENCE OF OUR EMPLOYEES, PARTNERS AND VENDORS. DURING THE YEAR UNDER REVIEW, WE UNDERTOOK NUMEROUS INITIATIVES TO STRENGTHEN OUR QUALITY PARADIGM AND ACHIEVE HIGHER EFFICIENCY ACROSS ALL OUR FACTORIES.

TOTAL PRODUCTIVE MAINTENANCE (TPM)

TPM is implemented in all factories; these are at different levels of maturity. Manufacturing is now strategically aligned with the pillars under TPM, as well as the Company's vision, mission and goals.

QUALITY CIRCLE (QC)

The QC programme was implemented across all Exide factories, subsidiaries and suppliers. During FY 2017-18, 281 QC projects were implemented, of which 212 were in factories, while 69 were in subsidiaries, suppliers and partners. The Company is working towards engaging 75% workmen in the QC initiative and building a strong foundation for quality.

SIX SIGMA

To further align itself with global practices and to hone problem-solving and fact-based decision-making skills of the management team, Exide launched the Lean Six Sigma initiative in August 2017. A comprehensive Standard Operating Procedure (SOP) outlining the approach, methodology and deployment system was circulated in the Company. The initiative was positioned in all factories, yielding the successful completion of 32 projects.

TQM LEARNING

Our employees were regularly educated on a range of topics, including Environment, Health and Safety (EHS) practices, TPM, Six Sigma, Quality Circles, Kaizen and 5S methodology through relevant training programmes. In addition, focus was laid on physical, mental and social wellbeing of every employee, along with protection of workers in hazardous occupations.



COMPREHENSIVE QUALITY ASSURANCE

In order to fulfil the changing expectations of customer, and align the transformational drive within organization and large supplier base, the company has adopted comprehensive approach which cover capability development of own as well as supplier manufacturing facilities. The comprehensive evaluation of future needs of the OEM customers have been assessed and development plan has been out into place.



2017-18 MILESTONES

- Transitioned from an ISO 9001:2008 certification to an ISO 9001:2015 certification
- Upgraded all factories to International Automotive Task Force Standard (IATF), IATF 16949:2016, a quality management standard explicitly for the automotive industry
- Reinforced Kaizen culture throughout the Company, with the implementation of 5114 initiatives
- Received accreditation from the National Accreditation Board for Testing and Calibration Laboratories (NABL) for factories in Haldia and Hosur, as well as the Research and Development (R&D) centre, Kolkata
- Increased score on the quarterly audit system (devised to monitor and gauge system standards, QC, TPM and internal and external assessments) from 39% to 58%

Refreshed Brand Outreach Reflecting 'Tomorrow Mindset'

AT EXIDE, WE HAVE CAREFULLY CRAFTED A DISTINCTIVE COMMUNICATION STRATEGY THAT CAPTURES THE JOURNEY OF EXIDE FROM INDIA'S LARGEST BATTERY MANUFACTURER TO A WORLD-CLASS BRAND THAT DRIVES EVOLVING CONSUMER EXPERIENCE AND INSPIRES PRODUCT INNOVATION.

#What Drives You



EXIDE

THE EXIDE DRIVE – POWERED BY PASSION

#WhatDrivesYou is not just a communication initiative, but a philosophy that pushes the brand image, riding on its values of self-drive and inner passion. It is reflected not just in the multi-media marketing campaigns, but also in the slew of new and innovative products launched over the last one year.



Launched across the country, garnering huge number of eyeballs and high recall, the unstoppable energy of #WhatDrivesYou was led by a buzzing social media presence comprising interesting posts, shareworthy films, celebrity bytes and various other digital touchpoints. Strategically located Out-of-Home (OOH) visibility gave the brand an all-pervasive presence across nearly 100 towns across the country.







EXIDE NEXT: STARTING THE JOURNEY WITH OUR DEALERS

To celebrate the power and passion of the Exide brand, as it races ahead into exciting times, we took over 1,300 channel partners to Europe for a conference. Appropriately titled 'Exide Next', the conference held at World Forum, The Hague, Netherlands, gave our partners a glimpse of the exciting future with Exide. New technologies, innovative products and, above all, the drive and infectious energy around the Exide brand ensured an enthralled audience.



DIGITALLY EMPOWERED

In line with the evolving business ecosystem in which brands are trying to reduce the lead time for providing services and enhancing consumer experiences, Exide has been constantly stepping up its offering across the entire value chain. While our digital connect initiatives with our channel partners in the form of customised portals and apps have gained huge momentum, our real success story is the big leap we have managed to take in terms of online sales of Exide products through www.exidecare.com. Reaching an average monthly sale of over 10,000 units, our unique online marketplace model has opened up the huge potential that the online channel offers for our dealers. Today, over 2,500 unique channel partners sell batteries through this platform.

The Exide Care website and call centre have transformed into a complete ecosystem, facilitating not just online battery purchase, but also customer registration and helping them avail paperless warranty and service.



POWER PARTNERSHIPS

Our partnerships with leading sports franchisees continue to attract eyeballs and give our diverse brands reach and salience in their respective segments. Whether it's the sponsorship of Kolkata Knight Riders or the tie-up between Dynex and Haryana Steelers, one of the best teams in the popular Pro-Kabaddi League, or even the partnership between SF Sonic and Bengaluru FC, the popular football team, all our brands have leveraged sponsorships to great effect in their respective market segments.



REACHING OUT TO THE MARKET

As the E-Rickshaw segment grows in the heartlands of India, Exide continues its thrust on leveraging the early mover advantage. The Company reaches out to thousands of E-Rickshaw drivers directly through unique on-ground initiatives with the Exide E-Ride Plus range.





Even in the two-wheeler segment, our enhanced visibility and reach has worked in tandem with the launch of Exide Bikerz VRLA to ensure continued leadership.





WOWING WITH UNIQUE RETAIL EXPERIENCE

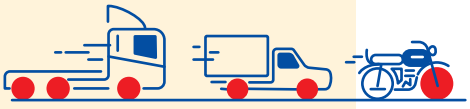
Our flagship Exide Care retail outlets and SF Sonic Powerbay stores provide customers personalised and delightful purchasing experience through a combination of contemporary design, pleasant ambience, cutting-edge service technology and customer focus.



Our Business Divisions

WE HAVE FOSTERED DEEP RELATIONSHIPS WITH LEADERS ACROSS THE AUTOMOTIVE AND INDUSTRIAL SEGMENTS.





AUTOMOTIVE DIVISION

Our automotive division primarily caters to the requirements of major vehicle manufacturers and aftermarket sales. We offer an extensive portfolio of batteries for four-wheelers, two-wheelers, three-wheelers, E-Rickshaws, inverters and Home-UPS. We primarily sell automotive batteries in the domestic market under Exide, SF Sonic and Dynex brand names. We concentrate on Dynex, Index and Sonic brands for the export segment. We enjoy significant market share of automotive OEMs and organised retail segment.



Achievements in 2017-18

- Reported sustained growth across OEM and aftermarket sales
- Launched nine new products in the aftermarket segment across categories and price points
- Reinforced presence through 1,600+ Exide Care outlets, offering branded experience
- Enhanced E-Rickshaw battery business with proactive driver engagement programmes
- Achieved consistent growth in online sales by leveraging the Exidecare.com platform
- Sustained brand visibility for the Exide brand across outdoor and digital media
- Strengthened dealer support with various trade marketing initiatives

Our Product Range

- **Four-wheeler batteries:**
  Exide Epiq, Exide Advanz, Exide Matrix, Exide Mileage, Exide EEZY, Exide Gold, Exide Cabby, Exide Xpress, Exide Jai Kisan, Exide Jai Kisan Shakti, Exide Little Champ



- **Three-wheeler batteries:**
  Exide Eko



- **Two-wheeler batteries:**
  Exide Xplore, Exide Bikerz-VRLA



- **Home-UPS:**
  Exide Pure Sine Wave, Exide Xtatic, Exide ECO, Exide HKVA Range



- **Genset batteries:**
  Exide Genplus



- **Inverter batteries:**
  Exide InvaGo, Exide InvaTubular, Exide InvaMaster, Exide InvaPlus Tubular, Exide Gelmagic



- **E-Rickshaw batteries:**
  Exide E-Ride Tubular Plus, Exide E-Ride Plus



Our OEM Partners

Key MNC Customers

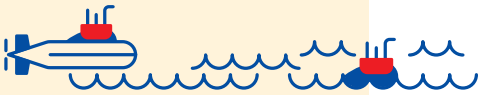
NISSAN, HYUNDAI, HONDA, TOYOTA, RENAULT, FIAT, GM, HONDA, VOLKSWAGEN

Key Domestic Customers

Mahindra, TATA, Hero, BAJAJ, ASHOK LEYLAND, TVS, MARUTI SUZUKI, ROYAL ENFIELD

Way Ahead

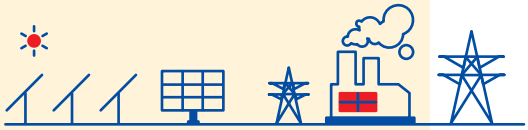
- Grow portfolio to cater to a wider range of OEM requirements
- Adapt a micro-marketing approach to enhance our distribution reach
- Enhance our product range of high-efficiency batteries with smart features
- Develop a portfolio of Enhanced Flooded Batteries (EFBs) and Ultra batteries
- Increase focus on improving footprint in the international market



SUBMARINE DIVISION

We manufacture high-end submarine batteries conforming to the most stringent technical specifications and quality control standards. These are very high-capacity (around 20,000 Ah) specialised batteries for all submarine applications. We are one of the few battery manufacturers who are capable of manufacturing submarine batteries for a wide range of submarines such as Russian Kilo/636/ Romeo/Foxtrot class, German 209 class, French Scorpene class and indigenous nuclear submarines.





INDUSTRIAL DIVISION

Our industrial battery division caters to the evolving needs of power, telecom, infrastructure, railways, mining, defence and IT industries. We offer a wide range of lead acid storage batteries ranging from 5 Ah to 20,200 Ah capacity to cover the broadest spectrum of applications. Our domestic industrial battery brands are Exide, SF and CEIL. Internationally, our major brands are Exide, CEIL, Chloride and Index.



Achievements in 2017-18

- Strengthened our footprints in the telecom segment with enhanced engagement with telecom tower companies
- Developed front access terminal batteries for telecom (export), industrial and data centre applications
- Reinforced our position as a preferred supplier for leading Indian and multinational industrial UPS OEMs
- Expanded our range in solar power storage solutions
- Collaborated with GE Transportation to supply battery for their diesel locomotives
- Added new customers in the traction segment
- Expanded presence in existing geographies and forayed into newer geographies
- Participated in several national exhibitions showcasing our product range to enhance brand prominence
- Introduced advanced VRLA batteries for the telecom segment, enabling us to gain significant market share
- Executed microgrid order from Bihar rural electrification projects

Our OEM Partners

Key MNC Customers

Key Domestic Customers

Way Ahead

- Continue to grow our prominence in the telecom segment
- Develop new cell types according to the Japanese Motive Power specification
- Induct flat plate technology for (OGI) traction application
- Develop e-mobility solution with long battery life
- Standardise products for exports across three categories based on performance compliance levels and warranty platforms

Our Product Range

Railways

- VRLA batteries for train lighting and air conditioning
- Flooded batteries for electric and diesel locomotives
- Stationery applications

Telecom

- Advanced AGM – VRLA batteries
- Tubular GEL VRLA batteries

Solar

- Solatron – Tubular GEL VRLA
- Solatubular – Premium tall tubular batteries
- Solar Blitz – Tubular Flooded range
- Solar Hybrid Inverters
- Solar PV Modules
- Solar Charge Controllers
- Solar Power Pack – DC & AC Model

Power and Infrastructural Projects

- Exide HR Tubular Standby batteries (HDP and NDP)
- Exide TBS Tubular Batteries
- Exide Plante – A byword for reliability
- Futuristic Exide GEL Tubular Batteries
- Exide 2V range VRLA Batteries
- Exide PP Tubular Standby Batteries (HDP and NDP)
- E-Rickshaw tubular batteries
- GroE Products

Exide IUPS Range

- SMF Small VRLA – Exide PowerSafe Plus Range
- SMF Medium VRLA – Exide PowerSafe and NXT Range
- Tubular GEL VRLA – Exide PowerSafe XHD Range
- Flooded Tubular – EL /EL+ Range

Chloride IUPS Range

SMF VRLA – Chloride SafePower CS7-12

Miners' Caps Lamps

LED Miners Cap Lamps – Smartlite
Exide Oldham GT Miners Cap Lamps

Traction

Exide HSP and GenX range of traction batteries and accessories

Growing with an Empowered Talent Pool

AT EXIDE, OUR PEOPLE STRATEGY FOCUSES ON BUILDING THE RIGHT CULTURE THAT ENABLES OUR TEAM TO PERFORM BETTER. WE EMPOWER AND ENCOURAGE OUR PEOPLE TO EMBRACE CHALLENGES AND DRIVE GROWTH.



Our objective is to strengthen our culture of meritocracy through need-based training and development programmes.



5,384
Driven by a talented team

During FY 2017-18, we implemented various new processes and technologies to augment the capacities of our people.

NURTURING A TEAM

We revamped our talent acquisition processes and emphasised on building our brand as a preferred employer. During FY 2017-18, we continued to pursue unique strategies that enable us to become an employer of choice through the following initiatives:

- Developing the new Exide Career site
- Initiating Exide Innovation Challenge — a business plan competition at Tier I management institutes to attract dynamic individuals from these establishments





STRENGTHENING CAPABILITIES

We aim to build a strong team, with a powerful middle management line-up. Thus, we promote continuous learning and development with a focused talent management programme. During FY 2017-18, we concentrated on:

- **Creating leadership pipelines across functions:** We developed robust talent pipelines across all functions through an enhanced Management Trainee programme.
- **Identifying high-potential individuals:** We conducted a large-scale development centre exercise for 400+ senior and middle management employees to identify future leaders and high-potential individuals. Currently, we are charting their future and development plan with the organisation.
- **Introducing new training programmes:** We launched two new programmes — Sales & Service Academy and Manufacturing Excellence Academy — to build functional excellence at Exide. The project will be spread over three years and will cover 1,600 Exide employees.
- **Focusing on process and technical skill development:** We helped our employees to consistently enhance their process and technical skills, as part of our Total Quality Management (TQM) procedure.

SUSTAINING HARMONIOUS INDUSTRIAL RELATIONS

We recognise that harmonious industrial relations enhance productivity and raise employee morale. Thus, we consistently work towards developing industrial relations at Exide. During FY 2017-18, we undertook relevant initiatives:

- **Partnering with Government of India for skill development:** As a responsible corporate citizen, we are participating in the National Employability Enhancement Mission (NEEM) scheme. We have initiated the scheme in most of our factories to enable manufacturing flexibility and bolster the government's skill development agenda.
- **Maintaining harmonious relationship with worker unions:** We continue to promote congenial union-management relations across the organisation through various initiatives that have led to increased productivity.
- **Conducting best practices study, benchmarked across factories:** We engaged with our people through an internal survey. It identified key parameters benchmarked for shared goals, structured communication processes, safety procedures, small group activities/continuous improvement, lean manufacturing and so on.

IMPLEMENTING NEW TECHNOLOGY AND PROCESSES

We put in place new technology and processes like Performance Management Systems (PMS) and centralised online attendance system to upgrade our HR modules.

ENGAGING WITH EMPLOYEES

During FY 2017-18, we took the following initiatives to encourage our people:

- **Refurbished bonus policy:** We completely revamped our bonus policy to drive high performance among our people.
- **Launched internal survey:** We introduced a unique concept for internal survey for staff functions to promote customer-centric behaviour.
- **Commenced organisational development initiative:** We launched the Exide 2020 strategy roadmap through a four-step process that includes bottom-up Focus-Group Discussions (FGDs), Excom prioritisation, Cross-Functional Training (CFT) projects groups, workshops and roadmap finalisation.
- **Created a culture of rewarding and recognising employees:** We introduced 'You did it', a platform to appreciate and reward our people for their good performance.

Our Contribution in Transforming Hopes and Aspirations into Reality

IT'S BEEN A YEAR OF TRANSFORMATION THAT HAS STOOD TESTIMONY TO EXIDE'S CONTINUANCE OF VALUE CREATION THROUGH ITS CSR CONTRIBUTIONS. THE FOUNDATION OF THE CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES WAS STRENGTHENED THROUGH CONTINUOUS ENGAGEMENT WITH THE COMMUNITIES, BY HONOURING, RESPECTING AND LEVERAGING THEIR HOPES AND ASPIRATIONS THAT CONJUNCT WITH OUR CORE THEMATIC AREAS.







The projects that translated the community aspirations into reality mainly lie in the realms of basic education in schools, healthcare, environment, community development and women empowerment across major operational locations in different parts of the country. In response to the community needs, the CSR engagements further built on our enduring commitment to contribute towards a balanced, responsible society by supporting inclusive and long-term sustainable growth at local, regional and national levels.

NATIONAL LEVEL

Healthcare and sanitation have been our core focus areas for social investment at the national level. Our long-standing projects that have been providing sustainable healthcare benefits to numerous beneficiaries were implemented through Marrow Donor Registry (India), Diabetic Association of India and Society for the Rehabilitation of Paraplegics.

The WASH (Water, Sanitation & Health) programme, effected in collaboration with UNICEF for the student population from primary to high-school levels, has been one of Exide's key interventions

that has established diligent drinking water, sanitation and related healthcare models and procedures in the states of West Bengal, Bihar and Assam. The intervention was instrumental in developing the model for replication by UNICEF across schools at the national



level. Our contributions to Prime Minister's Relief Fund and Swachh Bharat Kosh have continued to provide support for wider social development related assignments and mediations at the national level.

Our partnership with India Sponsorship Committee enabled us to provide the required integrated educational and day-to-day life support systems for destitute children from across India, especially Maharashtra. The school projects developed in association with YUVA Unstoppable saw the creation of replicable models for integrated development of Government schools both at primary and high-school levels. In addition, a unique battery related training centre has been instituted in association with the Savitribai Phule Pune University to provide battery-related training programmes to students aspiring for a career path in the allied industry.

Our dedicated commitment to biodiversity conservation was envisaged through an integrated conservation and developmental project with the Wildlife Conservation Trust in Maharashtra and Madhya Pradesh.

Guided by the Company's overarching CSR strategy, our committed cross functional teams across locations worked arduously in tandem with the communities. Resource allocation for direct interventions was made basis community need assessment at each location.

NORTH ZONE

Support for basic education in schools formed the key CSR interventions for our manufacturing units at Haridwar and Roorkee. The Bawal unit invested in various projects related to basic education, healthcare, women empowerment and environment, as well as for some niche community development initiatives. Few model projects initiated for the first time in healthcare and basic education had delivered successful outcomes. These are now earmarked as replicable model projects for deployment at other locations in the forthcoming years.



WEST ZONE

At the manufacturing unit in Taloja, the main thrust remained on women empowerment, healthcare and sanitation projects. The Chinchwad unit's projects focused on creating benefits for education in schools, women empowerment through basic healthcare and public sanitation facilities. At Ahmednagar, the core element of public sanitation facilities and health camps brought about significant difference in the lives of the neighbouring communities.

EAST ZONE

In the East, the core commitment revolved around projects on basic education and healthcare at school level. The plants in Shamnagar and Haldia mainly concentrated on school infrastructural development projects. Transformation and innovation were the two key elements that spearheaded successful implementation of projects on educational support, healthcare and skill development for alternative



livelihood in and around Kolkata. The projects implemented in partnership with organisations like Haltu Arya Balika Vidyalaya, Calcutta Rescue, Young Men's Welfare Society, Cheshire Homes India-Kolkata unit and South Gurukul Society delivered outstanding results to bring in transformational changes in the lives of the beneficiaries.

SOUTH ZONE

Our team at Hosur planned and engaged in raising the level of basic education and healthcare in schools. Other initiatives included construction of public sanitation facilities and allied infrastructure for community development. Some of the key projects were successfully delivered in partnership with the local government.

We believe that our need-based interventions sustainably empower the larger society by opening up new possibilities. The whole trajectory of our CSR investments works on this belief and touches all aspects of multi-stakeholder engagement and empowerment through myriad developmental initiatives. The transformational changes instituted have initiated a stimulating dimension not only for our communities, but for us too. The outcomes and impacts created inspire us and make our responsibilities bigger and commitments stronger to continue the efforts with greater fervour in the future.

Awards and Recognition







AWARDS DESCRIPTION	COMPANY/BODY	PLANT/UNIT
Excellence in Consistent TPM Commitment 2017	JIPM	Chinchwad
NCQC and CCQC Awards 2017	Quality Circle Forum of India (QCFI)	Taloja, Ahmednagar, Chinchwad, Haldia, Shamnagar, R&D Centre, Haridwar, Roorkee, Bawal, Hosur
Quality Leadership Award 2017	Quality Circle Forum of India (QCFI)	Corporate office
Gold Award for Technology Support	Indus Towers	Corporate office
Golden Peacock Award 'Special Commendation' for Sustainability	Golden Peacock Awards	Corporate office
Golden Peacock Award for Quality	Golden Peacock Awards	Corporate office
Annual GreenTech Gold and Silver Awards for Excellence 2017	GreenTech	Hosur, Ahmednagar
Annual GreenTech Silver Award for Safety	GreenTech	Taloja
Gold Healthy Work Place Award 2017	Arogya	Hosur
CII Quality Circle Forum Award 2018	Confederation of Indian Industries	Corporate office
Gold Award for Environment 2017	GrowCare India	Chinchwad



10-year Performance

(Rs. in Crores)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16#	2016-17#	2017-18#
Sales (Net)	3,393	3,794	4,554	5,107	6,071	5,964	6,866	6,848	7,583	9,186
Operating Profit	549	893	903	687	790	825	917	1,026	1,082	1,241
Profit Before Tax	435	811	940	645	742	723	798	908	976	1,006
Taxation	151	274	274	184	219	236	252	284	282	338
Net Profit	284	537	666	461	523	487	546	624	694	668
Cash Profit	352	618	750	562	636	613	685	782	900	914
Earnings Per Share (Rs.)	3.55	6.32	7.84	5.43	6.15	5.73	6.42	7.35	8.16	7.86
Dividend Payout*	56	95	140	145	156	178	220	234	243	246
BALANCE SHEET										
Net Fixed Assets	653	685	874	967	1,028	1,025	1,168	1,451	1,687	2,192
Investments	668	1,335	1,378	1,555	1,640	1,967	1,896	2,698	2,674	1,969
Current Assets	742	912	1,329	1,547	1,856	1,941	2,317	1,989	2,414	3,236
Total Assets	2,063	2,932	3,581	4,069	4,524	4,933	5,381	6,107	6,775	7,397
Loans	317	90	2	-	-	-	18	103	170	-
Current Liabilities	487	593	796	954	1,027	1,120	1,205	1,397	1,486	1,867
SUB TOTAL	804	683	798	954	1,027	1,120	1,223	1,500	1,656	1,867
Deferred Tax Liability	41	59	68	83	98	105	126	127	155	141
Net Worth	1,218	2,190	2,715	3,032	3,399	3,708	4,032	4,511	4,964	5,389
Total Liabilities	2,063	2,932	3,581	4,069	4,524	4,933	5,381	6,107	6,775	7,397
Book Value Per Share (Rs.)**	15.22	25.76	31.94	35.67	39.99	43.62	47.44	53.07	58.40	63.40
Return on Net Worth (%)	28.7	44.1	30.4	17.0	17.2	14.3	14.7	15.5	15.4	13.5

* Including Dividend Distribution Tax

**At same per value of share

Figures mentioned against FY 2015-16 , FY 2016-17 and FY 2017-18 are in accordance with the provisions under IND-AS.

21%
Growth in Market Capitalisation

12%
Growth in Revenue

10%
Growth in PBT

10%
Growth in Operating Profit (EBITDA)

10%
Growth in Net Profit

Growth Figures indicate CAGR

Corporate Information

BOARD OF DIRECTORS

Mr. Bharat D. Shah
Chairman & Independent Director

Mr. R. B. Raheja
Vice-Chairman & Non-Executive Director

Mr. G. Chatterjee
Managing Director & Chief Executive Officer

Mr. Nawshir H. Mirza
Independent Director

Mr. Vijay Aggarwal
Independent Director

Mr. Sudhir Chand
Independent Director

Ms. Mona N. Desai
Independent Director

Mr. Surin Kapadia
Independent Director (w.e.f. October 25, 2017)

Mr. A. K. Mukherjee
Director- Finance & Chief Financial Officer

Mr. Subir Chakraborty
Director-Automotive

Mr. Arun Mittal
Director-Industrial

SECRETARY

Mr. Jitendra Kumar

AUDIT COMMITTEE

Mr. Nawshir H. Mirza, Chairman

Mr. Vijay Aggarwal

Ms. Mona N. Desai

Mr. Sudhir Chand

Mr. Surin Kapadia

NOMINATION AND REMUNERATION COMMITTEE

Mr. Vijay Aggarwal, Chairman

Ms. Mona N. Desai

Mr. Sudhir Chand

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Sudhir Chand, Chairman

Mr. G. Chatterjee

Mr. Subir Chakraborty

SHARE TRANSFER COMMITTEE

Mr. G. Chatterjee, Chairman

Mr. A. K. Mukherjee

Mr. Subir Chakraborty

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Bharat D. Shah, Chairman

Mr. Sudhir Chand

Mr. G. Chatterjee

Mr. Subir Chakraborty

BANKING OPERATIONS COMMITTEE

Mr. G. Chatterjee, Chairman

Mr. A. K. Mukherjee

Mr. Subir Chakraborty

EXECUTIVE COMMITTEE

Mr. G Chatterjee

Mr. A K Mukherjee

Mr. Subir Chakraborty

Mr. Arun Mittal

Mr. Arnab Saha

Dr. Dipak Sen Choudhury

Ms. Nupur Roy Choudhury

Mr. Ranjan Sarkar

Mr. Jitendra Kumar

STATUTORY AUDITORS

B S R & Co. LLP
Chartered Accountants
Godrej Waterside, Unit No. 603
6th Floor, Tower – 1, Plot No. 5
Block - DP, Sector – V, Salt Lake
Kolkata – 700091

COST AUDITORS

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

SECRETARIAL AUDITOR

M/s A. K. Labh & Co.
Company Secretaries
40, Weston Street, 3rd Floor,
Kolkata – 700 013

BANKERS

State Bank of India

Standard Chartered Bank

Citibank N.A.

The Hongkong and Shanghai Banking Corporation Limited

BNP Paribas

HDFC Bank Limited

Deutsche Bank AG

ICICI Bank Limited

Axis Bank Limited

Yes Bank Limited

IDBI Bank Limited

RBL Bank Limited

Bandhan Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata- 700 019
Phone: (033) 4011-6700/6729
Fax: (033) 4011 6739
CIN: U74140WB1994PTC062959
E-mail: rta@cbmsl.com
Website: www.cbmsl.com

REGISTERED OFFICE

EXIDE HOUSE,
59E, Chowringhee Road,
Kolkata- 700 020
Phone: (033) 23023400/2283-2118/2150/2171
Fax: (033) 22832637
CIN: L31402WB1947PLC014919
E-mail: exideindustrieslimited@exide.co.in
Website: www.exideindustries.com

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Notice of the 71st Annual General Meeting

NOTICE is hereby given that the 71st Annual General Meeting of the Members of the Company will be held at Kala Mandir, 48, Shakespeare Sarani, Kolkata – 700 017 on Thursday, 2nd day of August 2018 at 10.30 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March, 2018 and the Reports of the Directors and the Auditors thereon.

2. To confirm the payment of interim dividend and to declare final dividend on equity shares for the financial year ended 31st March, 2018.

3. To appoint a director in place of Mr. A. K. Mukherjee (having DIN 00131626) who retires by rotation and, being eligible, offers himself for re-appointment.

4. To appoint a director in place of Mr. Arun Mittal (having DIN 00412767) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, remuneration of Rs. 9,00,000/- (Rupees Nine Lacs only) plus out of pocket expenses and applicable taxes, payable to M/s Shome & Banerjee, Cost Accountants (Registration No. 000001), for audit of the Cost Records of the products manufactured by the Company for the financial year ending 31st March, 2019 as approved by the Board of Directors, be and is hereby ratified."

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made there under, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Surin Shailesh Kapadia (holding DIN 00770828) who was appointed as an Additional Director under Section 161(1) of the Companies Act, 2013 with effect from 25th October, 2017 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years, upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2023.

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Rules there under, Articles of Association of the Company and on the recommendations of the nomination and remuneration committee and the Board of Directors, consent of the Company be and is hereby accorded to amend/modify/alter the terms of remuneration of Whole-time Directors by capping the overall limit of performance bonus to 24 month's basic salary instead of 12 month's basic salary based on the performance targets and criteria as may be laid down by the board/nomination and remuneration committee from time to time w.e.f. financial year 2018-19 upto the period of their respective appointments."

By Order of the Board

Sd/-
Jitendra Kumar
Company Secretary and
EVP – Legal & Admin
ACS No. 11159

Place: Mumbai
Date: 7th May, 2018

NOTES

a. **A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. A person can act as a Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member. The instrument of Proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.**

b. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed hereto.

c. Route-map to the venue of the Meeting for the convenience of the Members to attend the meeting is provided at the inside back cover of the Annual Report.

d. The Register of Members and Share Transfer Books of the Company will remain closed from 27th July, 2018 to 2nd August, 2018 (both days inclusive). Final Dividend as recommended by the Board of Directors, if approved at the aforesaid Annual General Meeting, shall be paid to those shareholders whose names appear in the Register of Members of the Company, after giving effect to all valid share transfer(s) in physical form lodged with the Company on or before 26th July, 2018 and in respect of shares in electronic form, to those (deemed members) whose names appear on the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the end of business hours on 26th July, 2018. The dividend declared at the Annual General Meeting shall be paid within thirty (30) days of declaration.

e. Information relating to the Directors retiring by rotation and seeking re-appointment/appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.

f. Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company at its 70th Annual General Meeting held on 27th July, 2017 appointed M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No.: 101248W/W-100022) as the Statutory Auditors of the Company for five consecutive years, i.e. till conclusion of the 75th Annual General Meeting, subject to ratification at every Annual General Meeting in between.

The Ministry of Corporate Affairs (MCA) recently vide notification no. S.O. 1833(E) effective from 7th May, 2018 and pursuant to Companies (Amendment) Act, 2017 has dispensed the requirement of ratification of appointment of statutory auditors by the Members of the Company at every Annual General Meeting.

In view of the above, the resolution relating to ratification of appointment of statutory auditors does not form part of this Notice and has not been placed before the Members at this AGM.

g. Please note that pursuant to Section 124(5) of the Companies Act, 2013, final dividend for the financial year ended 31st March, 2011 which remains unpaid or unclaimed, will be due for transfer to the Investors Education and Protection Fund of the Central Government on 26th August, 2018. Particulars of shareholders who have not encashed their dividend warrants from the financial year ended 31st March, 2011 onwards are available on the Company's website at http://www.exideindustries.com/investors/unclaimed-dividends.aspx and also on the website of the Ministry of Corporate Affairs. Members are requested to contact C B Management Services (P) Limited, Registrar and Share Transfer Agent of the Company for encashing the unclaimed dividends standing to the credit of their account.

h. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 (**the "IEPF Rules"**) as amended, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall have to be transferred by the Company to the designated Demat account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

The Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company has transferred such unpaid or unclaimed dividends and corresponding shares upto the Interim Dividend for the Financial Year ended 31st March 2011. Members/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the

case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on http://www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. The Member/claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

The Company will be transferring the Final Dividend and corresponding shares for the Financial Year ended 31st March 2011 and the Interim Dividend and corresponding shares for the Financial Year ended 31st March 2012 on 26th August 2018 and 25th November, 2018 respectively. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund. Due dates for transfer of Unclaimed Dividend to IEPF are provided in the Report on Corporate Governance.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at http://www.exideindustries.com/investors/unclaimed-dividends.aspx. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

i. Members holding shares in physical form are requested to notify/send the following particulars to the Company or its Registrars to facilitate better service:-

   i. Bank account details i.e. Name of the Bank, Branch address, Bank Account No., IFSC code, MICR no. and Place with PIN code no., in case the same have not been sent earlier;

   ii. Any change in their address/bank details; and

   iii. Details of share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.

j. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective depositories, viz., NSDL and CDSL, will be considered for payment of dividend through NECS, or any other electronic mode.

k. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company or to the Registrars and Share Transfer Agent.

l. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically. Further, in case of any change in the e-mail address registered with the Company, a fresh e-mail id may kindly be sent to the Company. Members holding shares in demat form are requested to register/update their email address with their Depository Participant(s) only. Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request.

m. The Notice of AGM, Annual Report inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s).

n. Members, Proxies and Authorised Representatives are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting, if sent in physical form. Copies of the Annual Report will not be provided at the AGM venue.

o. Members are requested to contact the Company's Registrar & Share Transfer Agent, C B Management Services (P) Limited, P-22 Bondel Road, Kolkata – 700 019 (Phone No. [033] 4011 6700/6725/6729/6742; Fax No. [033] 40116739; email id: rta@cbmsl.com) for reply to their queries/redressal of complaints, if any, or contact Ms. Seema Bajaj/Ms. Atreyee Mukherjee at the registered office of the Company (Phone +91 3323023400, Email: cosec@exide.co.in).

p. Statutory Registers and relevant documents referred to in the Notice and the Explanatory Statement shall be available for inspection by the members at the registered office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013

will be available for inspection by the Members at the Annual General Meeting.

Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least (7) seven days before the date of the meeting, so as to enable the Company to keep the information ready.

q. **Voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members facility to cast their vote through electronic means on all resolutions set forth in this Notice through e-voting services provided by Central Depository Services (India) Limited (CDSL).

Mr. A K Labh, Practicing Company Secretary (FCS-4848/ CP-3238) of M/s A. K. Labh & Co. Company Secretaries (email id: aklabhcs@gmail.com) of 40, Weston Street, 3rd Floor, Kolkata 700 013 has been appointed as Scrutinizer to scrutinize the remote e-voting and voting process to be carried out at the AGM in a fair and transparent manner.

The remote e-voting period begins on **Monday, 30th July, 2018 at 9.00 A.M.** and ends on **Wednesday, 1st August, 2018 at 5.00 P.M.** During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. **26th July, 2018**) may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Detailed instructions for availing of the remote e-voting facility are given separately along with this Notice.

The facility for voting through polling paper/ electronic voting system shall be made available at the AGM on **2nd August, 2018** and the members as on the "cut-off date" i.e. **26th July, 2018,** attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through polling paper/ electronic voting system.

The results on the resolutions will be declared not later than 24 hours of conclusion of the AGM i.e. 3rd August, 2018 or any adjournment thereof. The declared results along with the Scrutinizer's Report will be available on the Company's website at www.exideindustries.com and on the website of CDSL at www.evotingindia.com and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

II. Procedure for remote e-voting:

(i) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.

(ii) Click on "Shareholders" tab.

(iii) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID;
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat form and Physical form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number appearing on the enclosed Attendance Slip cum Electronic Voting Particulars in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/ mm/yyyy format.
DIVIDEND BANK DETAILS	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vi).

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

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN of Exide Industries Limited.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) **Note for Corporate Shareholders**

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

(xviii) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or cosec@exide.co.in.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download the app from the App Store and the Windows Phone Store, respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

III. Any person who acquires shares and become Member after despatch of Notice of 71st AGM and holds shares as of the cut-off date of 26th July, 2018 may obtain the sequence number for remote e-voting by sending a request to the Company's RTA at rta@cbmsl.com.

IV. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his/her vote.

V. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through polling paper/ electronic voting system. The Members who have already cast their vote by remote e-voting prior to the meeting and attending the meeting shall not be entitled to cast their vote again.

By Order of the Board

Sd/-
Jitendra Kumar
Company Secretary and
EVP – Legal & Admin
ACS No. 11159

Place: Mumbai
Date: 7th May, 2018

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

ITEM NO.5

The Board of Directors at its meeting held on 7th May, 2018 appointed M/s Shome & Banerjee, Cost Accountants to audit the cost records of the products manufactured by the Company for the year ending 31st March, 2019. At the same meeting, the Board of Directors approved a remuneration of Rs. 9,00,000/- (Rupees Nine Lacs only) plus out of pocket expenses and applicable taxes payable to M/s. Shome & Banerjee, Cost Accountants for conducting such audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the cost auditors shall be approved by the Board of Directors and subsequently ratified by the Members of the Company. Accordingly, the remuneration payable to M/s. Shome & Banerjee, Cost Accountants, for conducting the cost audit for the year 2018-19, as approved by the Board of Directors, is being placed before the Members for ratification.

The directors recommend adoption of the Resolution at Item No.5 of the Notice by the Members.

None of the directors, key managerial personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the Resolution set out at Item no.5 of the Notice.

ITEM NO.6

Pursuant to Section 161 of the Companies Act, 2013, the Board of Directors pursuant to the recommendations of the Nomination and Remuneration Committee, at its meeting held on 25th October, 2017 appointed Mr. Surin Shailesh Kapadia (holding DIN 00770828) as an Additional Director (Independent and Non-Executive) of the Company to hold such office till the conclusion of the ensuing Annual General Meeting of the Company. In terms of Section 149 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Surin S Kapadia being eligible, offers himself for appointment and is proposed to be appointed as an Independent Director for five consecutive years, at the ensuing Annual General Meeting. In the opinion of the Board, Mr. Kapadia fulfils the conditions specified in the Companies Act, 2013 read with relevant rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of appointment of Mr. Kapadia as an Independent Director setting out the terms and conditions of appointment would be available for inspection without any fee by the members at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays between 11.00 A.M. and 1.00 P.M. upto the date of the AGM. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Surin S Kapadia as an Independent Director, for the approval by the Members of the Company.

Brief particulars of Mr. Surin S Kapadia as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Notice. Mr. Surin S Kapadia does not hold any Equity Shares in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way.

Except Mr. Surin S Kapadia being an appointee, none of the directors and key managerial personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the resolution set out at Item No. 6 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of ICSI.

ITEM NO.7

The appointment and remuneration of Whole-time directors (WTD) including Managing Director and CEO of the Company is determined by the Members at the general meeting of your Company. Currently, the Company has four WTD viz. Mr. Gautam Chatterjee, Managing Director and CEO, Mr. A K Mukherjee, Director – Finance and CFO, Mr.Arun Mittal, Director – Industrial and Mr. Subir Chakraborty, Director – Automotive. At the time of their last appointment, it was approved by the Members that the maximum performance bonus payable to them would be subject to a maximum of their respective annual salary based on certain performance criteria to be laid down by the nomination and remuneration committee of the Board of Directors.

In order to further motivate the WTDs who exhibit strong desire to overachieve the targets set for the year, the board on the recommendation of nomination and remuneration committee, proposes to further reward them by enhancing the overall limit of the performance bonus from 12 month's basic salary to 24 month's basic salary which shall be payable based on the performance targets as may be laid down by the nomination and remuneration committee from time to time.

Since there is variation in the terms and condition of remuneration of the WTD, accordingly, a fresh approval of the Members is sought by way of an Ordinary Resolution under the applicable provisions of the Act, for payment of remuneration that may be received by the Whole-time directors for the period

commencing from financial year 2018-19 upto the period of their respective appointments.

None of the directors and key managerial personnel of the Company or their relatives, except Mr. Gautam Chatterjee, Managing Director and CEO, Mr. A K Mukherjee, Director – Finance and CFO, Mr. Arun Mittal, Director – Industrial and Mr. Subir Chakraborty, Director – Automotive, are concerned with or interested in, financial or otherwise, in the resolution set out at Item No. 7 of the Notice.

By Order of the Board

Sd/-
Jitendra Kumar
Company Secretary and
EVP – Legal & Admin
ACS No. 11159

Place: Mumbai
Date: 7th May, 2018

ANNEXURE

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with regard to the Director seeking appointment and re-appointment at the forthcoming Annual General Meeting (Refer Item No 3,4 & 6 of the Notice)

Name of the Director	Date of Birth	Brief resume and nature of expertise in specific functional area	No. of equity shares held in the Company	Other Directorships in listed entities / Other Committee memberships* held
Mr. A.K.Mukherjee (DIN: 00131626)	14.05.1961	Mr. A. K. Mukherjee is a Chartered Accountant and also a Cost Accountant and has a wide range of experience in financial and accounting matters. He joined the Company in 1998 and has been on the Company's Board of Directors since 1st May, 2007. He was nominated as the best performing CFO Auto and Auto Ancillaries Sector by CNBC – TV 18 in 2008-09. He was also nominated as the Best Transformation Agent (Large Companies) by Business Today in association with Yes Bank in 2013-14	1000	**DIRECTORSHIPS:** NIL **COMMITTEE MEMBERSHIPS** **Member of the Audit Committee** Exide Life Insurance Company Limited (Member) **Membership of Stakeholders' Relationship Committee** NIL
Mr.Arun Mittal (DIN 00412767)	20.12.1966	Mr. Arun Mittal is a Fellow member of Institute of Chartered Accountant of India and an Associate member of Institute of Cost & Works Accountants of India and Institute of Company Secretaries of India. He has experience across various functions with in-depth knowledge of best practices, ability in formulating & implementing successful strategies to effect high business growth.	1152	**DIRECTORSHIPS:** NIL **COMMITTEE MEMBERSHIPS** **Member of the Audit Committee** NIL **Membership of Stakeholders' Relationship Committee** NIL
Mr. Surin Shailesh Kapadia (DIN 00770828)	19.10.1980	Mr. Surin Shailesh Kapadia is a fellow member of the Institute of Chartered Accountants of India and Partner of M/s G. M. Kapadia & Co., Chartered Accountants. He is the head of the Firm's Transaction Advisory and Valuation practices. He is also an integral part of the consultancy and corporate law practices of the Firm and is actively involved in rendering high value-added professional services. He has over 15 years' experience in the field of taxation, exchange control laws, mergers and acquisition and valuation.	NIL	**DIRECTORSHIPS:** EIH Associated Hotels Limited **COMMITTEE MEMBERSHIPS** **Member of the Audit Committee** NIL **Membership of Stakeholders' Relationship Committee** NIL

* Includes Chairmanship/Membership in Audit Committee/Stakeholders' Relationship Committee.

Note: None of the Directors of the Company are related to each other.

Directors' Report to the Shareholders

(Including Management Discussion & Analysis)

Your Board of Directors are pleased to present the 71st Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2018.

ECONOMIC ENVIRONMENT

The year 2017-18, was a watershed year in the field of indirect taxation in India. On 1st July 2017, the nation ushered in the Goods and Services Tax (GST). With its introduction, a long-cherished dream of many governments to transform India into "one economic union, one market, one tax" was realised. This composite tax saw many levies being done away with. GST remains the most significant tax transformation in India since Independence, and the largest tax transformation exercise ever implemented in the world.

The Indian economy demonstrated its resilience by absorbing dramatic change brought in by demonetisation and introduction of GST and has regained its status as the fastest growing major economy during the current calendar. The government has demonstrated its commitment to fiscal prudence by sticking to its revised fiscal deficit targets and in supporting strongly RBI's efforts to keep inflation in check. All growth drivers of the economy viz. public and private capital expenditure, domestic consumption, exports, and foreign direct investments continue to gain in strength. The government also demonstrated its responsiveness to business community by streamlining GST glitches in a nimble fashion.

Going forward, economic activity is expected to gather further momentum in FY 2018-19, benefiting from a conducive Domestic and Global environment. With the implementation and stabilisation of GST, movement and transportation of goods will also become a lot smoother and efficient.

INDUSTRY STRUCTURE & DEVELOPMENT

The Passenger Vehicle Industry domestic sales grew at 8% during the year, as compared to 9% in the previous year. The rise in fuel prices, inflation and an increase in interest rates dampened slightly, the enthusiasm generated by the slew of new model launches by leading OEMs. After a slow 4% growth last year, the Commercial Vehicle Segment bounced back strongly with a 20% growth in domestic sales. In the 3/4 Wheeler market, domestic sales grew at nearly 12% compared to 6% last year. Two-Wheeler sales have seen a robust growth at 15% compared to a modest 7% growth last year.

COMPANY PERFORMANCE

Automotive Batteries

Buoyed by significant growth in volumes over the previous year, your Company consolidated its leadership position in the Automotive Battery business. A host of new product launches and new marketing initiatives in the four-wheeler and two-wheeler aftermarket segments helped your Company register a robust double-digit growth as compared to the previous year.

As the most preferred partner to almost all the vehicle manufacturers in the country, your Company continued growing at a fast pace driven by the sustained growth of the automobile OEMs. Exports and Institutional business also witnessed healthy growth this year.

Industrial Batteries

Your Company registered a robust double digit growth in the industrial division. It has become the preferred choice of majority of Telecom Tower companies and has gained significant market share in the private telecom space by displacing competition. Your Company's Advanced VRLA products have been found to be superior in enhanced backup and charge acceptance and the Company has been awarded the Gold Award in the Technology space by the largest Tower Company of the country.

Your Company has also done successful trials with the Ultra range of batteries in technical collaboration with East Penn, USA and Ecoult, Australia, in the off-grid Telecom Tower sites and the trials have demonstrated significant savings in diesel consumption as compared to Advanced VRLA products. The Company plans to commercially deploy Ultra range of Batteries in the coming years for reducing the diesel consumption and remains committed towards creating solutions for a fossil fuel free world.

Your company has also registered double digit growth in the UPS segment and continues to be the preferred choice of almost all the OEM's in the country.

Your Company recorded a Net Sales of Rs. 9,186 crores in 2017-18 as compared to Rs. 7,583 crores in the previous year with a corresponding operating profit (EBIDTA) of Rs. 1,241 crores as compared to Rs. 1,082 crores.

The other segments including Solar, Traction, Power & Projects have also registered robust growth and Exide continues to be the preferred brand for the customers.

Submarine

During the year under review, your Company successfully completed bulk production of the 1st set of indigenous submarine batteries for French Scorpene class submarines recently inducted into the Indian Navy. These batteries completely passed all the most stringent quality control norms & tests set by the Ministry of Defence that was spread over many months, before final acceptance by M/s Mazagon Dock Shipbuilders Limited.

Your Company has acquired a new export customer viz., Vietnam Navy beating international competition to expand the international submarine battery business and successfully signed prestigious contracts for manufacture & supply of 2 sets of submarine batteries for their new Russian 636 class submarines. These batteries are currently under production & will be exported during the financial year 2018-19.

Your Company has also received an important order to manufacture and supply one set of submarine batteries for the next indigenous nuclear submarine under construction. This battery set also is under production and is expected to be supplied during the next financial year 2018-19.

Exports

In the fiscal year 2017-18, automotive exports have registered substantial growth through new markets, new brands, supporting promotional activities and increasing the market shares in the existing markets.

For automotive batteries, during the financial year, your Company was able to increase its reach by extending four wheeler battery markets in majority of GCC (Gulf Co-operation Council) countries, South East Asian countries and select African nations. As a result of such efforts made in exports, there was a total growth in export sales value over 31% as compared to the previous financial year.

For Industrial batteries, your Company increased its reach by entering into new traction markets in Saudi Arabia and Zambia while consolidating its position in the major market in Europe and South East Asia. For the standby segment, the Company made inroads into new markets like Zambia, Angola, Gambia, Saudi Arabia & Chile. The Company increased the capacity of traction batteries and has been able to utilise the full capacity resulting in high growth in exports of industrial batteries over the previous financial year.

Technology Upgradation

In order to maintain its leadership position, your Company is continuously focused on upgrading its products and manufacturing technology as well as acquiring new and advanced technology to meet the emerging expectations of the customers. The in-house Research & Development (R&D) division is recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, as a fully accredited Research Centre in the field of energy storage. Import substitution of raw materials, reducing energy consumption and manufacturing cycle time reduction are some of the areas where the priorities are highest.

The in-house R&D also plays a major role in providing the interface between the Company priorities and the adoption of collaborators' technology. Your Company has ongoing technical collaboration and assistance agreements with East Penn Manufacturing Company Inc., USA (EPM), a leading US manufacturer of lead acid batteries and related items. An advanced manufacturing facility has been installed and commissioned at Haldia Plant and new range of advanced products (with Punched Grids) has been launched in Exide MGRID & Exide EGRID brands. The introduction of state-of-the-art Punched Grid Technology ensures enhanced battery life with higher corrosion/float life than conventional battery and allows for high level of productivity with performance consistency. Also, higher power to weight ratio than present equivalent conventional products is another key feature of this technology.

Your Company has also an ongoing technical assistance and collaboration agreement with 'Furukawa Battery Company Limited, Japan" for various automotive applications. Additionally, your Company has a long standing technical cooperation agreement with Hitachi Chemicals Co. (formerly, Shin Kobe Electric Machinery Co.), Japan, for a variety of automotive as well as VRLA industrial range of products. Based on the research inputs received from Hitachi Chemicals, during the course of the recently concluded financial year, a new 'Zero Maintenance Sealed Flooded automotive battery' has been launched in replacement market.

In the Industrial Battery segment, the state-of-the-art 'Ultra Battery' with outstanding charge acceptance characteristics, nearly at par with lithium technology has been introduced for field trials in Telecom. It is also a proven technology globally, and is vigorously being pursued for MW scale renewable energy storage, grid stabilisation, diesel abatement and other allied operating modes. New machinery has been installed & commissioned for manufacturing of Ultra Battery. The development has taken place in collaboration with East Penn Manufacturing, USA and Ecoult Pty, Australia.

Your Company has also been pursuing the development of appropriate lithium-ion technology for applications in the country particularly for the emerging demands of electric vehicles. Prototypes have been assembled and are undergoing laboratory and field tests to be followed by submission for certification by regulatory authorities. The work is closely being

done under the technical collaboration and guidance of IIT Madras and associated organisation.

Your Company has recently entered into a Technical License Agreement with 'Advanced Battery Concepts, LLC, USA' (ABC) for acquiring the Know-how and Technology in the field of Bi-Polar Lead Acid Storage Batteries.

HIGHLIGHTS OF PERFORMANCE

Your Company recorded a Net Sales of Rs. 9186.32 crores in 2017-18 as compared to Rs. 7583.47 crores in the previous year with a corresponding profit before tax of Rs. 1006.16 crores as compared to Rs. 975.73 crores.

Financial Results

(Rs. in Crores)

	2017-18	2016-17
Profit before depreciation, finance cost & tax expenses	1299.17	1186.36
Depreciation and amortisation expenses	245.94	206.32
Finance cost	5.24	4.31
Profit Before Exceptional item and Tax	1047.99	975.73
Exceptional item	41.83	-
Profit Before Tax	1006.16	975.73
Tax expenses	337.81	282.09
Profit After Tax	668.35	693.64
Other Comprehensive Income	2.90	1.90
Total Comprehensive Income for the year	671.25	695.54
Balance brought forward	4878.59	4426.43
Making a total of	5549.84	5121.97
Out of this appropriations are :		
Final Dividend for 2015-16 (80%)	-	68.00
Final Dividend for 2016-17 (80%)	68.00	-
Tax on Final Dividend	13.84	11.69
Interim Dividend for 2016-17 (160%)	-	136.00
Interim Dividend for 2017-18 (160%)	136.00	-
Tax on Interim Dividend	27.69	27.69
(Aggregate Dividend amounts to 240% (previous year - 240%)	245.53	243.38
And leaving a balance of (which is carried forward to next year)	5304.31	4878.59

Effect of Lead Price Movement

Lead and Lead Alloys are the primary materials consumed in the manufacturing of batteries representing more than 70% of total material consumption by value. Your Company procures about 30% of its Lead and Lead Alloys requirement through imports or import parity pricing based on prices quoted on London Metal Exchange (LME). The balance 70% is procured locally at prices which are influenced by demand/supply situation as well as LME movement.

Your Company procures Lead and Lead Alloys mostly at current prices or on LME averages and there is no long-term contract for pricing. About 30% of your Company's business with OEM's as well as institutional customers is having "Lead price variation clause" and thus this portion of the business is protected from lead price volatility. The balance 70% of the Company's business to retail customers is exposed to lead price volatility, the risk of which is reduced to an extent by increasing the usage of recycled lead which is cheaper than pure lead and not directly exposed to LME price movement.

The exposure to currency fluctuations and its impact on Company's business is significant since about 30% of Lead and Lead Alloys procurement is based on "import parity price". Further, your Company imports few other materials and capital goods. Exports made by your Company which constitutes about 5% of the Company's business, acts as an automatic hedge against risks resulting from currency fluctuation.

Your Company as a policy does not enter into commodity hedging or currency hedging. In a few cases forward covers are taken against import liabilities.

During FY 2017-2018 the average LME price of pure lead increased by 19% as compared to FY 2016-2017, while the average landed cost of Lead and Lead Alloys, including recycled lead, in 2017-2018 indicates a rise of 14% as compared to the previous financial year.

Consolidated Financial Statements

As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in accordance with the Indian Accounting Standard (Ind-AS) 110, Consolidated Financial Statements of the Company and its subsidiaries form part of the Annual Report and are reflected in the consolidated financial statements of the Company. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by their respective Boards.

Dividend

Your Company has paid an interim dividend at the rate of 160% i.e. @Rs 1.60 per equity share of Re.1 each on the equity shares to the shareholders, whose names appeared on the Register of Members on 6th November, 2017. Your Directors are now pleased to recommend a final dividend at the rate of 80% i.e. Re. 0.80 per equity share of Re.1 each for the year ended 31st March, 2018, subject to approval of the shareholders at the ensuing Annual General Meeting. Consequently, the total dividend for the year ended 31st March, 2018 including the interim dividend paid during the year, shall be 240% i.e. Rs. 2.40 per equity share of Re.1/- each.

Share Capital

The paid up equity share capital as on 31st March, 2018 was Rs. 85 crores, divided into 85,00,00,000 equity shares of face value of Re. 1 each.

A) Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2017-18.

B) Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2017-18.

C) Issue of employee stock options

The Company did not issue stock options during the financial year 2017-18.

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

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

Deposits

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

Particulars of Loans, Guarantees or Investments

Pursuant to Section 186 of the Companies Act, 2013, the details of the loans given (Note nos. 6 and 13), guarantees on securities provided (Note no. 38(ii)) and investments made (Note nos. 4 and 9) by the Company during the year under review, have been disclosed in the financial statements.

Material Changes and Commitments

There have been no material changes which have occurred subsequent to the close of the financial year of the Company to which the financial statements relate and the date of the report, for example:

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

AUDITORS

Statutory Auditors and their Report

M/s B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 27th July, 2017, for a term of five consecutive years till the conclusion of 75th Annual General Meeting of the Company.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Statutory Auditors have not reported any incidence of fraud to the Audit Committee of the Company during the year under review.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the cost records maintained by the Company in respect of the products manufactured by the Company are required to be audited. Your Directors, on the recommendation of the Audit Committee has appointed M/s Shome & Banerjee, Cost Accountants to audit the cost records of the Company for the financial year 2018-19 at a remuneration of Rs. 9,00,000/- plus out-of pocket expenses and taxes as applicable.

A resolution regarding ratification of remuneration payable to M/s Shome & Banerjee, Cost Accountants, forms part of the Notice convening the 71st Annual General Meeting of the Company.

Secretarial Auditors & their Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s A. K. Labh & Co., Practising Company Secretaries to undertake audit of secretarial and other related records of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed herewith as "**Annexure – I**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

BUSINESS RESPONSIBILITY REPORT

The Ministry of Corporate Affairs, Government of India, in July 2011, came out with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These guidelines contain certain principles which are to be adopted by companies as part of its business practices and disclosures regarding the steps taken to implement these principles through a structured reporting format, viz. Business Responsibility Report. Pursuant to Regulation 34(2)(f) of SEBI

(Listing Obligations and Disclosure Requirements), Regulations, 2015, your Company has prepared the Business Responsibility Report and is annexed herewith as **"Annexure - II"**

CORPORATE GOVERNANCE

Transparency is the cornerstone of your Company's philosophy and all requirements of corporate governance are adhered to both in letter and spirit. All the committees of the Board of Directors meet at regular intervals as required in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Your Board of Directors has taken necessary steps to ensure compliance with all statutory requirements. The directors and key management personnel and senior executives of your Company have complied with the approved 'Code of Conduct for Board of Directors and Senior Executives' of the Company. The declaration to this effect pursuant to Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 signed by Managing Director and CEO of the Company forms part of the Annual Report.

The Report on Corporate Governance as required under Regulation 34(3) read along with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of and is annexed herewith marked as **"Annexure – III"**. The Auditors' Certificate on compliance with Corporate Governance norms is also attached to this Report. Further as required under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from the Managing Director & CEO and Director-Finance & CFO is being annexed with this Report.

BUSINESS EXCELLENCE

Your Company has a well-designed TQM Model to drive the organisation towards continuous improvement in order to deliver high-quality products and services to customers. The TQM model is aimed at developing TQM culture for long–term success through customer satisfaction. All members of the organisation participate in improving processes, products, services aligned to the business needs.

The TQM initiatives deployed in your company are: TPM, Six Sigma, 5S, Kaizen, Quality Circle, and Suggestions. Your Company has implemented International Standards like ISO 9001 & IATF 16949 for Quality and ISO 14001 & OHSAS 18001 for Environment, Health & Safety. The Organisational learning and development was one of the key focus areas during the financial year. There is a structured framework for monitoring and measurement in your Company for all these TQM initiatives that flashes the monthly report on various TQM performance metrics.

Implementation of best practices and promoting competitive capability of the organisation is one of the important areas your Company focused during the year and is committed to excel in the years ahead. The excellence in areas of operation, supply chain sustainability, quality, innovation, corporate governance etc. were assessed by external professional bodies like JIPM, CII, Institute of Directors, ACFI, Greentech, Arogya Health, GCI etc. 119 Awards have been received by your Company in various categories during the financial year.

Quality Circle is an effective approach to voluntarily involve people in the continuous improvement journey. The QC projects are aligned to the business strategy to achieve the business goals and produce tangible and intangible benefits through involvement of workmen. This initiative is deployed in all the factories and to extended supply chain.

TQM Ranking Assessment System has been introduced for transparent rating and evaluating with an intensive focus to regularly monitor and measure the various TQM initiatives practiced in the factories. It helped in identifying the gaps and improving the system and process along with cross functional learning. This ranking system has been institutionalised for building competitiveness among factories and flow of best practices from one factory to other. The audit is conducted at quarterly intervals and factories are ranked as per the audit outcome.

OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT

Your Company has a well designed EHS (Environment, Occupational Health & Safety) policy and it is effectively deployed across all factories. All factories are certified for EMS 14001 & OHSAS 18001 BY TUV NORD.

Your Company utilises natural and man-made resources in an optimal and responsible manner and ensures the sustainability of resources by reducing, reusing, recycling and managing waste. It regularly monitors and prevents pollution through waste minimisation at the source; recovery / treatment of emissions and releases and conservation of energy. This progressively improves environment, occupational health and overall carbon footprint.

Your Company has established, implemented and maintained a procedure for the ongoing identification of hazards, assessment of their risk and determining the necessary controls. Safety Audits, Hazard Evaluation, Emergency Management Planning are conducted periodically in the factories.

Your Company's employees as well as the upstream partners are being regularly trained and awareness programmes are conducted to ensure health and safety risks are minimised for the employees and contract workers.

Occupational health and safety is given the utmost focus in your Company, through TQM ranking audit in every quarter the functioning of the following things is ensured on proactive basis to achieve zero accident which is our goal in TPM:

a) Emergency Response Plan
b) Near miss capturing
c) Incidents Investigation & gaps closure
d) Functioning of safety equipment like fire hydrants, Fire extinguishers etc.
e) Medical Surveillance plan of employees.

The maturity level of Occupational Health & Safety and Environment system are assessed by separate external certification body. During the financial year 2017-18, your Company has been awarded with

- Golden Peacock Awards- 'Special Commendation' for Sustainability
- Grow Care India Environment Award 2017 for Chinchwad factory
- Annual Greentech Gold Award in Safety Category for Hosur factory.
- Arogya Healthy Work Place Award 2017 (Gold Award) for Hosur factory.

Your Company is transparent about the sustainability challenges. Identifying the economic, environmental and social issues that are relevant for the business, environment and stakeholders is most important. The sustainability efforts include reduction of pollution, waste elimination, effective utilisation and recycling of existing natural resources (like as water, oil, gas, metal), and energy saving. Your Company complies with applicable legal, statutory, regulatory, customer specific and other requirements related to the environmental aspects, occupational health and safety. Your Company has focused on the sustainability of its upstream partners for business sustainability. Several vendor sustainability programs have been conducted in all the regions involving almost all the critical vendors. Periodic trainings on Risk Assessment, Environment, Health & Safety and Quality have been provided to them for sustainability of their business.

CORPORATE SOCIAL RESPONSIBILITY

Your Company always seeks ways to imbibe long-term sustainability through inclusive growth and development not only within the adjoining community around the main operational locations but also with the society at large at regional or national level. The core thematic areas that continue to remain the main pillars of your Company's CSR philosophy are:

1. Basic Education
2. Health
3. Environment Management
4. Women Empowerment
5. Community Development.

The above areas were an integral part of the Company's CSR Philosophy well before the mandatory CSR provisions were introduced in the Companies Act, 2013.

The Board of Directors of your Company has approved a Corporate Social Responsibility (CSR) Policy namely "EIL CSR Policy" in accordance with Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India, which is available on the organisational website at http://www.exideindustries.com/investors/governance-policies.aspx. The CSR policy underlines the guiding principles and mechanisms for undertaking various CSR activities/ programs by the Company.

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

A total amount of Rs. 1771.03 lacs was spent during financial year 2017–18 as against its 2% obligation amounting to Rs. 1764.20 lacs, thereby fulfilling its entire CSR obligation. The main thrust for the year was to consolidate the efforts which had been made over the past few years. The year witnessed establishment of certain model projects especially in basic education which created higher impact within the given resources and can be considered for further replication as and where applicable in future projects.

Your Company made significant strides in achieving over 100% utilisation for the year to harness all its resources for successful execution of CSR projects across all the manufacturing units at West Bengal, Maharashtra, Tamil Nadu, Uttarakhand, Haryana and also for certain big-ticket projects at national level. Some of the projects were undertaken through nationally renowned partner organisations like UNICEF, Wildlife Conservation Trust, Diabetics Association of India, Society for the Rehabilitation of Paraplegics, Marrow Donor Registry (India), YUVA Unstoppable, India Sponsorship Committee, Cheshire Homes. Beside national level tie-ups, projects were undertaken with local partnerships primarily for basic educational support and sanitation programmes. A significant amount was spent directly through the dedicated CSR teams across all manufacturing units led by the Central team.

The year continued to witness a thrust on projects at school level mainly for promoting education, sanitation, making available safe drinking water. Along with the above the other significant ones were for public healthcare, women empowerment and promoting education including special education and employment enhancing vocation skills, rural development, eradication of hunger, poverty and malnutrition.

The social initiatives undertaken by the Company through the year essentially were a step closer to creating long term sustainable development through possible transformation in the lives of the beneficiaries.

INTERNAL CONTROLS

A strong internal control framework is an essential pre-requisite of growing business. In this context, to the best of their knowledge and belief and according to the information and explanations, obtained by them, your Directors state that your Company's internal control systems are commensurate with its size and scale of operations that are designed to provide reasonable assurance that the Company's financial statements are reliable and prepared in accordance with the law.

OUTLOOK

Two successive years of strong performance and recovery of new auto sales should be a huge boost for automotive battery business in the coming years. GST should also drive market share gains from the unorganised players in the aftermarket segment, as well. Emerging opportunities like the e-rickshaw segment would also add to growth in the medium term.

Post de-monetisation and implementation of GST, the Indian economy is expected to grow faster in FY 2018-19 compared to the Economic Survey estimated growth projection of 6.75% for 2017-18. Growth forecast by the International Monetary Fund (IMF) for FY 2018-19 is at 7.4%.

Decrease in the Consumer Price Index (CPI) inflation rate and a buoyant economic outlook should offer a healthy and profitable growth opportunity for the industry.

OPPORTUNITIES AND THREATS

Contrary to general perceptions, your Company believes that lead acid batteries will remain relevant even in the electric vehicle (EV) world. Most EVs have a 12V lead acid battery as auxiliary battery for SLI (starter, lighting and ignition) application. Unless there is significant change of technology, lead acid batteries will continue to be the most reliable and affordable power source for vehicles. Newer lead acid battery technologies are also redefining the performance limits of the battery.

The current growth in automobile sales translates into medium and long-term opportunity for sale of replacement batteries. The rapid growth in E-rickshaw population continues unabated and is quickly becoming a huge source of business for aftermarket sales.

The strong brand equity, the exceptional channel partnerships and the technology leadership that your Company enjoys, places it in a unique position to leverage the emerging opportunities and translate them into profitable growth.

Being dependent on several other industry segments like Automobile, Power and Manufacturing, makes your Company susceptible to the performance of these sectors.

RISKS AND CONCERN

There is risk of new battery technology such as lithium ion technology which is penetrating into market, and reduction in its price is making it viable in many segments. The emerging areas like Electric vehicles, solar and telecom are expected to catch the penetration of lithium ion. Your Company has implemented the lithium ion technology road map and strategies to tap the market potential. It has leveraged the strength of collaborators and technology transfer plan is in place. It has also established the lithium ion organisational structure.

In order to maintain its leadership position in Lead Acid business, new products are being introduced to ensure the competitive differentiator in each of the segments. Product plans are in place to fulfill the Automotive OEMs expectation of reduced battery weight, satisfying BS VI norms. Some of these new developments are ultra battery for automotive range, AGM VRLA for E- Rickshaw, etc. It is leveraging the capabilities of collaborators to outperform in technology development program. Your Company's technology development initiatives are adequate for sustained leadership position.

Risk of environmental damage is also one of the top risks. Mitigating actions are in place to ensure protection of environment. ETP, STP plants are installed in each & every factory of your Company so that water released on land does not pollute it. Factories of your Company are zero discharge factories. Water harvesting, Plantation, Hazardous Waste management, Environmental monitoring, Monitoring of the BLL of employees and Statutory Compliance Management are carried out to minimise the damage to environment by your Company. There is a road map to increase the usage of solar energy. Solar Panels are being installed in manufacturing units. Your Company has end to end plan to minimise adverse impact on environment due to activities across the Value Chain. As part of suppliers sustainability program, an initiative to promote the sustainability which significantly covers the environmental aspects and structured its requirement to protect the planet. Plastic waste reduction program to reduce the consumption of plastic material, usages in material handling and manufacturing disposals have been launched. Reduction of resource consumption, yield of raw material (PPCP), energy efficiency, compliance to ISO 14001 standards are some of the focus areas which are being driven across supplier fraternity. Initiative to enhance the rate of battery scrap collection through dealer network is in place.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the directors, employees and stakeholders to report genuine concerns about unethical behavior, actual or suspected, fraud or violation of the Company's Code of conduct or ethics policy in accordance with the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy provides for adequate safeguards against victimisation of persons who use such mechanism and

provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. Your Company has provided a dedicated email address for reporting such concerns. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Policy is available on the web-site of the Company under the web-link 'http://www.exideindustries.com/investors/governance-policies.aspx. The Audit Committee of Board is entrusted with the responsibility to oversee the vigil mechanism.

SUBSIDIARIES

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

- Exide Life Insurance Company Limited ('ELI'), a 100% subsidiary of your Company, is engaged in the business of life insurance and annuity, offering a range of individual and group life, pension and health products across traditional and unit-linked platforms. It reaches customers through technology enabled solutions and its network of 200 plus offices to cater to the needs of customers.

  ELI manages assets (AUM) of over Rs. 12,500 crores as at 31st March, 2018. The total premium collected by ELI during the year ended 31st March, 2018 was Rs. 2,532 crores as against Rs. 2,408 crores collected during the previous year ended 31st March, 2017. It has also recorded a profit before tax of Rs. 60.02 crores during the year ended 31st March, 2018 as against a profit of Rs. 112.51 crores recorded during the previous year.

  As at 31st March, 2018, market consistent embedded value (MCEV) of ELI was Rs. 2,137 crores against MCEV of Rs. 2,051 crores in the previous year.

- Chloride Metals Limited, another 100% subsidiary of your Company, having its plants situated at Markal, Taluka – Khed, Pune and Malur, Kolar district, Karnataka is engaged in the business of running smelting plants having integrated facilities for extracting lead from exhausted batteries and manufacturing and supplying recycled lead and lead alloys. The net sales of Chloride Metals Limited was Rs. 2,013.56 crores and a profit before tax was Rs. 29.65 crores representing an increase of 41% in net sales and a decrease of 13% in profit before tax compared to the previous financial year.

- Chloride Power Systems & Solutions Limited, a 100% subsidiary of your Company having its factory at Sector V, Salt Lake City, Kolkata is engaged in manufacture and sale of battery chargers, D.C Power Systems, solar installations and associated equipment. During the year 2017-18, the said Company achieved a turnover of Rs. 81.81 crores and a profit before tax of Rs. 4.07 crores.

- Chloride International Limited is presently not engaged in any trading or manufacturing activity and has income from rent and interest/dividend on securities. The income of Chloride International Limited during 2017-18 amounted to Rs. 68.04 lakhs with a profit before tax of Rs. 56.28 lakhs representing a decrease of 5% and 8% respectively over the previous financial year.

- Your Company also holds 100% of the share capital in Chloride Batteries S.E Asia Pte. Ltd., Singapore. The said Company is engaged in production and distribution of industrial battery chargers, rectifiers and parts thereof and the distribution of industrial and automotive batteries. It caters to the South East Asian and Australian markets. During the year 2017-18, the said Company achieved a turnover of SGD 23.37 million and incurred a loss of SGD 0.7 million.

- Espex Batteries Limited, UK, 100% subsidiary of your Company is engaged in marketing and selling of lead acid batteries for industrial applications in UK and its neighboring areas. During 2017-18, the Company achieved a turnover of GBP 6.7 million and made a profit before tax of GBP 0.25 million.

- Your Company also holds 61.5% of the share capital in Associated Battery Manufacturers (Ceylon) Limited, Sri Lanka. The said Company is engaged in the business of manufacturing and marketing of lead acid batteries. During the year 2017-18, the said Company achieved a turnover of SLR 3357.56 million and made a profit before tax of SLR 271.88 million.

The profit and loss accounts, balance sheet, auditors' report and directors' report of the subsidiaries are not attached to the annual accounts of your Company pursuant to general exemption granted vide general circular number 2/2011 dated 08.02.2011 issued by the Government of India, Ministry of Corporate Affairs and in terms of section 136 of the Companies Act, 2013. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries in Form AOC-1 is attached to the financial statements. However, the necessary details about the subsidiaries are given in the consolidated financial statements. The Company will make available the said financial statements and related detailed information of the subsidiary companies upon request by any member of the Company or its subsidiary companies. Copies of the financial statement of the subsidiaries would also be available for inspection by any such person at the registered office of your Company on any working day as specified in the Notice convening the 71st Annual General Meeting.

Pursuant to Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT – 9 attached as "**Annexure-V**" shall form part of the Board's report.

DIRECTORS

Mr. A K Mukherjee, Director-Finance and CFO and Mr. Arun Mittal, Director - Industrial, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mr. Surin Shailesh Kapadia, was appointed as additional director (Independent) with effect from 25th October, 2017 on the recommendation of nomination & remuneration committee and board of directors.

Necessary information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of directors to be appointed and re-appointed at the ensuing Annual General Meeting are given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on 2nd August, 2018.

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

KEY MANAGERIAL PERSONNEL

During the year, the following directors/executives continued as Key Managerial Personnel of the Company:

- Mr. Gautam Chatterjee, Managing Director & CEO
- Mr. A K Mukherjee, Director – Finance & CFO
- Mr. Subir Chakraborty, Director – Automotive
- Mr. Arun Mittal, Director – Industrial
- Mr. Jitendra Kumar, Company Secretary & EVP - Legal & Administration

DECLARATION OF INDEPENDENCE

All independent directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board as a whole, Chairman and the non-independent directors was carried out by the independent directors. This exercise was carried out in accordance with the Remuneration Policy framed by the Company within the framework of applicable laws.

The Board carried out an annual evaluation of its own performance, as well as the evaluation of the working of its committees and individual directors, including Chairman of the Board. The performance evaluation of all the directors was carried out by the Nomination and Remuneration Committee. The questionnaire and the evaluation process were reviewed in accordance with the SEBI guidance note on Board evaluation dated 5th January, 2017 and suitably aligned with the requirements.

While evaluating the performance and effectiveness of the board, various aspects of the Board's functioning such as adequacy of the composition and quality of the Board, time devoted by the Board to Company's long-term strategic issues, quality and transparency of Board discussions, execution and performance of specific duties, obligations and governance were taken into consideration. Committee performance was evaluated on the basis of their effectiveness in carrying out respective mandates, composition, effectiveness of the committees, structure of the committees and meetings, independence of the committee from the Board, contribution to decisions of the Board. A separate exercise was carried out to evaluate the performance of Independent Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution to Board deliberations, independence of judgement, safeguarding the interest of the Company and focus on creation of shareholders value, ability to guide the Company in key matters, attendance at meetings, etc.

The Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY

In accordance with the provisions of Section 178(3) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has remuneration policy in place. The objectives and key features of this Policy are:

(a) Formulation of the criteria for determining qualifications, positive attributes of directors, Key Managerial Personnel (KMP) and senior management personnel and also independence of independent directors;

(b) Aligning the remuneration of directors, KMPs and senior management personnel with the Company's financial position, remuneration paid by its industry peers etc.;

(c) Performance evaluation of the board, its committees and directors including independent directors;

(d) Ensuring board diversity;

(e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;

(f) Directors' induction and continued training.

The Remuneration Policy is available on the Company's web-site under the following web-link http://www.exideindustries.com/investors/governance-policies.aspx

MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other items of business. The Board exhibits strong operational oversight with regular presentation by business heads to the Board. The Board and committee meetings are pre-scheduled and a tentative annual calendar of Board and committee meetings is circulated to the directors well in advance to help them plan their schedule and to ensure meaningful participation at the meetings.

During the year under review four (4) board meetings and six (6) audit committee meetings were convened and held, the details of which are given in the Corporate Governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of constitution of the board and its committees are given in the Corporate Governance report.

COMPLIANCE WITH CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR EXECUTIVES

All directors and senior management personnel have affirmed compliance with the code of conduct for board of directors and senior executives. A declaration to that effect is attached with the Corporate Governance report.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

RISK MANAGEMENT POLICY

In accordance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company are responsible for framing, implementing and monitoring the risk management plans of the Company. The Company has a "Risk Management Policy" to identify risks associated with the Company, assess its impact and take appropriate corrective steps to minimise the risks which may threaten the existence of the Company.

To improve the Company's ability to address the increasingly complex internal and external issues and potential business threats, your Company has devised Risk Management System. Through the risk management, the Company proactively identifies and addresses potential critical risks for the Company's business and is able to take measures for mitigation that are considered most optimal.

The risk management policy of your Company stresses on exploring the new opportunities, strengthening corporate governance while achieving the business objectives. The Risk Management policy has been implemented through comprehensive framework. This has been implemented at corporate functions and business sites ensuring Enterprise Risk Management Framework.

The corporate risk register of the organisation is reviewed by the Audit Committee and the Board to ensure adequacy of risk mitigation. Risk Management System involves the executives across the organisation and promotes risk evaluation as an integral part of decision making. Your Company in FY 2017-18 got the certification on Risk management system (ISO 31000) by TUV – Nord for all corporate functions & Hosur Factory.

The Risk Management Policy is available on the Company's web-site under the following web-link http://www.exideindustries.com/investors/governance-policies.aspx

LISTING

The equity shares continue to be listed on the BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) and The Calcutta Stock Exchange Limited (CSE). The Company has paid annual listing fee for the financial year 2018-19 to BSE, NSE and CSE.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions which were entered during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions entered into by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interests of the Company.

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

The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the audit committee and the board of directors is uploaded on the website under the following web-link http://www.exideindustries.com/investors/governance-policies.aspx.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, there were no material related party transactions

during the year. Form AOC – 2 is therefore not applicable to the Company.

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

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations. However, member's attention is drawn to the statement on contingent liabilities and commitments in the notes forming part of the financial statements.

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

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

HUMAN RESOURCES

Your Company believes that human capital will be the key to drive future progress and contribute in the overall success of the organisation. To facilitate this, your Company has been focusing on Employee Development and Talent Management. Large scale developmental centers have been set up to identify and develop senior and middle management talent. High quality leadership talent has been infused across all functions to build Talent Pipeline. Besides, your Company believes in creating a compelling employer brand thereby attracting and promoting young talent through B-school campus programmes and engagement activities.

Sales and Manufacturing Training academies have been launched to augment the functional knowledge and technical skills of employees. Your Company aims to continue substantial investment of resources in skill development in all functional areas. It is committed towards bringing transparency and objectivity in processes by adoption of Technology like Online Performance Management System, Automated Attendance System and Human Resource Information System.

Your Company continues to drive performance through a quarterly evaluation process and a competitive Performance based Bonus process for all its employees. "You Did It" is a platform to publicly recognise and reward good performance every quarter in the presence of Senior Management.

Your Company continues to have cordial and harmonious industrial relations across all the manufacturing units. During the year under review, many best manufacturing practices have been adopted through internal / external benchmarks like – flexible manufacturing, productivity enhancements, TQM practices, workmen engagement, plant trainee schemes, quality circles, etc.

The total number of employees of the Company as on 31st March, 2018 stood at 5384.

PARTICULARS OF EMPLOYEES

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

Particulars of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed hereto and marked as "**Annexure - VII**".

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition & redressal of sexual harassment at workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules thereunder. It is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. Your Company has constituted Internal Complaints Committees (ICC). During the year, no complaints relating to sexual harassment were filed with the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

a. That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. That the Directors have selected such accounting policies and applied them consistently and made 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 or loss of the Company for that period;

c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. That the Directors have prepared the annual accounts on a going concern basis;

e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

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

FORWARD LOOKING STATEMENTS

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

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

ACKNOWLEDGEMENT

Your Directors would like to record their appreciation for the enormous personal efforts as well as the collective contribution of all the employees to the Company's performance. The directors would also like to thank its customers, employee unions, shareholders, dealers, suppliers, bankers, government agencies and all stakeholders for their co-operation and support to the Company and the confidence reposed on the management.

On behalf of the Board of Directors

Sd/-
(Bharat D Shah)
Chairman
DIN: 00136969

Place: Mumbai
Date: 7th May, 2018

ANNEXURE - I

SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31.03.2018

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

To
The Members
EXIDE INDUSTRIES LIMITED
Exide House
59 E Chowringhee Road
Kolkata – 700 020
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Exide Industries Limited** having its Registered Office at Exide House, 59 E, Chowringhee Road, Kolkata - 700020, West Bengal (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.

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 authorised 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 31.03.2018 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.

AUDITORS' RESPONSIBILITY

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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 processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statues as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

(iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company in general has complied with the provisions of the following Act / Rules as specifically applicable to the Company :

(a) Batteries (Management and Handling) Rules, 2001

(b) Legal Metrology Act, 2009

(c) The Environment (Protection) Act, 1986 and Rules thereunder

to the extent of their applicability to the Company during the financial year ended 31.03.2018 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, pollution laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(ii) SEBI (Share Based Employee Benefits) Regulations, 2014 ;

(iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

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. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out 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 atleast 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) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

(d) 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:

a) Pursuant to a settlement agreement dated 19th May 2017 entered with 'Exide Technologies, a U.S. based Company ('Exide Technologies, US'), the long standing litigation in relation to the usage of the name or mark 'EXIDE' directly or indirectly, in any manner in India was fully settled during the year. Accordingly, 'Exide Technologies, US' has forever waived its right or claim to the ownership and/or use of 'EXIDE' mark in India.

b) The Company has declared final dividend of 80% (Re. 0.80 per Equity share of Re. 1/- each fully paid up) for the financial year ended 31st March, 2017 during the year under report.

c) The Board of Directors of the Company at its meeting held on 25th October, 2017, inter alia, has declared an interim dividend of Rs. 160% (Rs. 1.60 per Equity share of Re. 1/- each fully paid up) for the financial year 2017-18.

For A. K. LABH & Co.
Company Secretaries

Sd/-
(CS A. K. LABH)
Practicing Company Secretary
FCS – 4848 / CP No.- 3238

Place : Kolkata
Dated : 7th May, 2018

ANNEXURE - II

BUSINESS RESPONSIBILITY REPORT 2017-18

About this Report

Now, more than ever before, sustainability is becoming a core component of mainstream business. Enterprise sustainability today is a strategic business aspect which is getting embedded within the corporate culture catering to the varied prerequisites of legal compliance to a myriad stakeholder engagement and their wellbeing. In this world of increased instrumentation, interconnectedness and interdependency, Exide is consciously making efforts towards the adoption of a more sustainable business strategy. In our journey towards excellence and to secure a sustainable future, Exide envisages to become a global power house respected by customers and preferred by investors, known for innovative product and solutions.

Business Responsibility, Corporate Social Responsibility (CSR) and governance of Sustainability are all driven from the top at Exide. Our Board & CSR Committee are entrusted with formulating, revising and updating our CSR Policy which governs the implementation of all our CSR initiatives in compliance with Section 135 of the Companies Act, 2013. Exide's governance philosophy embraces the tenets of trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. Trusteeship recognises that large corporations have both an economic and a social purpose, thereby casting the responsibility on the Board of Directors to protect and enhance shareholder value, as well as fulfill obligations to other stakeholders.

This Business Responsibility Report complies with our accountability towards all our stakeholders. The report enumerates details as per SEBI's guidelines along with the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. It summarizes our efforts to conduct business in a responsible manner.

About Exide Industries Limited

For more than seven decades, Exide has been one of India's most reliable brands, enjoying unrivalled reputation and recall. A leader in packaged power technology, Exide today is India's largest storage battery Company with widest range of both conventional flooded as well as latest VRLA batteries. Our constant emphasis on innovation, extensive geographic footprint, strong relationship with marquee clients and steady technology upgradations with global business partners have made us a distinct frontrunner in the lead-acid storage batteries space for both automotive and industrial applications. Exide designs, manufactures, markets and sells the widest range of lead acid storage batteries in the world to cover the broadest spectrum of applications. With nine factories spread across the country, Exide's range and scale of manufacturing operations can be matched by very few companies in the world. Exide's manufacturing facilities are equipped with world's latest and most advanced machineries. The Company is constantly upgrading its technology and also acquiring new technology to meet the ever increasing demands of its customers. In addition to the state-of-the-art in-house R&D Centre recognized by the Department of Scientific and Industrial Research, Government of India, Exide also acquires new technology through technical collaboration agreements with leading international battery manufacturers. Out of the nine factories, seven factories are dedicated to manufacturing batteries and the other two for Home UPS Systems. Using the latest technological inputs, we manufacture batteries for the automotive, power, telecom, infrastructure projects, computer industries, as well as the railways, mining and defence sectors.

Section A:	General Information about the Company

1. Corporate Identity Number (CIN) of the Company : L31402WB1947PLC014919
2. Name of the Company: Exide Industries Limited
3. Registered address: Exide House, 59E Chowringhee Road, Kolkata 700020, West Bengal, India
4. Website: www.exideindustries.com
5. Email id: exideindustrieslimited@exide.co.in
6. Financial Year reported: 2017-18
7. Sectors that the Company is engaged in (industrial activity code-wise)

Industrial Activity Code*	Product Category
272	Manufacture of batteries and accumulators
279	Manufacture of other electrical equipment

*As per National Industrial Classification- Ministry of Statistics and Programme Implementation

8. List of three key products that the Company manufactures (as in balance sheet):
   a. Electric storage batteries used for starting piston engines
   b. Other Lead-Acid Accumulators
   c. Home UPS systems
9. Total number of locations where business activity is undertaken by the Company
   i. Number of international locations: Three
      - Sri Lanka
      - Singapore
      - UK
   ii. Number of national locations: Nine Factories
      - Ahmednagar
      - Bawal
      - Chinchwad
      - Haridwar
      - Roorkee
      - Taloja
      - Haldia
      - Hosur
      - Shyamnagar
10. Markets served by the Company – Local/State/National/International

    The Company has a pan India market presence through its extensive dealer network. Internationally in the fiscal year 2017-18, both Automotive and Industrial have registered substantial growth – primarily through penetrating into new markets and increasing the market shares in the existing business location serving markets in over 40 countries in the Middle East, South East Asia, Africa, Europe and the Americas.

Section B:	Financial Details of the Company	
1.	Paid up Capital (INR)	Rs. 85 cr.
2.	Total Net Turnover (INR)	Rs. 9,186.32 cr.
3.	Total profit after taxes (INR)	Rs. 668.35 cr.
4.	Total spending on Corporate Social Responsibility as percentage of profit after tax	Rs. 17.71 cr.
5.	List of activities in which expenditure in 4 above has been incurred	

At Exide, Corporate Social Responsibility has always been a source for creating positive and sustainable developmental impacts on the society at large through various activities. The social investment projects revolve around the core thematic areas on basic education, health, environment management, women empowerment and community development. These thematic areas continue to remain the main pillars of Exide's CSR philosophy.

A total of Rs. 1,771.03 Lac were invested in 2017 – 18, for successful execution of CSR projects across all the manufacturing units at West Bengal, Maharashtra, Tamil Nadu, Uttarakhand, Haryana and also for certain big ticket projects at national level. Some of the projects were undertaken through nationally renowned partner organisations like UNICEF, Wildlife Conservation Trust, Diabetics Association of India, Society for the Rehabilitation of Paraplegics, Marrow Donor Registry (India), YUVA Unstoppable, India Sponsorship Committee, Cheshire Homes. Beside national level tie-ups, projects were undertaken with local partnerships primarily for basic educational support and sanitation programmes. A significant amount was spent directly through the dedicated CSR teams across all manufacturing units led by the Central team.

The year continued to witness a thrust on projects at school level mainly for promoting education, sanitation, making available safe drinking water. Along with the above the other significant ones were for public healthcare, women empowerment and promoting education including special education and employment enhancing vocation skills, rural development, and eradication of hunger, poverty and malnutrition.

Similar projects mainly in the arena of promoting education, sanitation and environment management were also meticulously implemented through the subsidiary organisations, Chloride Metals Limited (CML) and Chloride Power System & Solutions Limited (CPSSL), as both of these fell within the ambit of CSR investment mandates for the FY 2017 - 18. The details of all the CSR engagements are provided within the Director's Report.

Section C:	Other Details	
1.	**Does the Company have any subsidiary Company/ companies**	As on 31st March, 2018, your Company has seven (7) subsidiary companies out of which four are registered in India and three abroad.
		i. Exide Life Insurance Company Limited, ("ELI"), India
		ii. Chloride Metals Ltd ("CML"), India
		iii. Chloride Power Systems & Solutions Ltd ("CPSSL"), India
		iv. Chloride International Limited ("CIL"), India
		v. Chloride Batteries S.E. Asia Pte Limited ("CBSEA"), Singapore
		vi. Espex Batteries Limited ("ESPEX"), UK
		vii. Associated Battery Manufacturers (Ceylon) Limited ("ABML"), Sri Lanka

2. **Do the subsidiary Company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary companies.**
   Yes. The 2 subsidiary companies i.e. Chloride Metals Limited (CML) & Chloride Power System & Solutions Limited (CPSSL) have their individual CSR activities and sustainability initiatives completely aligned with the overall parent organisational framework for planning, execution, management and monitoring.
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%]**
   A large number of the Company's suppliers and other business associates are established entities in the organised sector. Further, several of the Company's customers are renowned OEMs. Most of such entities follow their own Business Responsibility initiatives. However, 30-60 % suppliers participate in various business responsibility initiatives.

Section D:	BR Information	
1.	Details of Director/Directors responsible for BR	
a.	Details of the Director/Directors responsible for implementation of the BR policy/policies	
	DIN Number	00012306
	Name	Mr. Gautam Chatterjee
	Designation	Managing Director & Chief Executive Officer
b.	Details of the BR head	
	DIN Number	The Executive Committee, comprising of Key Managerial Personnel, oversees the implementation of the BR Policies
	Name	
	Designation	
	Telephone Number	+91 33 2302 3400
	Email id	exideindustrieslimited@exide.co.in

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

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

Sl. No	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy for	Y*	Y*	Y	Y	Y	Y	N	Y	Y*
2	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	All policies conform to the various requirements of relevant regulatory authorities at the national and international level.								
4	Has the policy been approved by the board? If yes, has it been signed by the MD/Owner/CEO/appropriated board director?	Y	N	Y	Y	Y	Y	NA	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	NA	Y	Y
6	Indicate the link for the policy to be viewed online	(i)	(i)	(ii)	(i) & (iii)	(v)	(iii)	NA	(iv)	(i)
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the Company have an in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies?	The Company has various grievance redressal mechanisms for different stakeholders like employees, shareholders, customers, regulatory authorities etc.								
10	Has the Company carried out independent audit/revaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	Y	N	N	N

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

i) http://www.exideindustries.com/about/vision-mission.aspx

ii) http://docs.exideindustries.com/pdf/policies-certifications/human-resource-policy.pdf

iii) http://docs.exideindustries.com/pdf/policies-certifications/sustainability-policy.pdf
http://docs.exideindustries.com/pdf/policies-certifications/env-health-&-safety-policy.pdf
http://docs.exideindustries.com/pdf/policies-certifications/risk-management-policy.pdf

(iv) http://docs.exideindustries.com/pdf/CSR-Policy.pdf

(v) http://docs.exideindustries.com/pdf/policies-certifications/human-rights-policy.pdf

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick upto 2 options)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done with next six months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)							Currently at a draft stage		

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 one year

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

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

Yes, the Company has been publishing business responsibility report as part of annual report and the report has been aligned with National Voluntary Guidelines on Social, Environmental and Economic responsibilities of business, released by Ministry of Corporate Affairs and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This was published on a yearly basis.

Section E: Principle-wise Performance

Principle 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

(1) Does the policy relating to ethics, bribery and corruption cover only the Company?

The policies governing this subject cover employees, vendors and also subsidiaries of the Company. The Company is committed to conducting its business by adopting the highest standards of professional integrity and ethical behaviour. Towards this end, the Company has adopted "Code of Conduct" for Directors and Senior Executives which lays down the principles and standards which governs the actions of the leadership team.

The Company has a vigil mechanism which is being governed by the "Whistle Blower Policy" for employees and stakeholders of Company to report genuine concerns about unethical behaviour, actual or suspected, fraud or violation of Company's code of Conduct. Through this it has placed mechanism for ensuring confidentiality and protecting the whistle blower from any harassment/ victimization, retaliation, threat of termination of service, appropriate action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the whistle blowers right to continue to perform his/her duties/functions including making further protected disclosure. The policy is monitored by the Chairman of Audit Committee and the whistle officer of the Company.

(2) Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?

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

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

During the financial year 2017-18, no complaint was received relating to ethics, bribery or corruption from any stakeholder.

Principle 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFECYCLE

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

I. East Penn Punch technology – Reduction of lead as natural resource and hazardous material;

II. Advanced Valve Regulated Lead Acid (VRLA) technology for Telecom – Reduce water loss / do not require water top up by consumer; save energy as required recharge energy is significantly lower as with conventional flooded type cells/batteries;

III. Products for Solar Energy Storage- Promote harvesting of environmentally friendly solar energy and support sustainability efforts in society.

2. For each such product provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

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

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

These data are yet to be tracked on a regular basis therefore, not applicable for this report.

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.

Lead, the main raw material for the products of the Company is sourced either through mining or by recycling of lead/lead based products. The Company has taken up a programme for gradually increasing the quantity of recycled lead for use in its products. For this purpose an elaborate system for collection of used batteries in the country has been put in place mainly through the extensive network of dealers of the Company. Towards this end, the Company has also acquired two Lead Smelting Units for captive consumption. Presently close to 40 per cent of the lead and lead alloy requirements of the Company are met through recycled lead. The vendors are assessed through stringent on boarding system through the E-sourcing mechanism and have to comply with regular audits for maintaining the sustainability perspectives as per the Vendor Policy.

4. Has the Company taken any steps to procure goods and services from local and 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?

Companies manufacturing facilities are spread at 9 locations pan India. In each of locations Company has taken special measure to make small vendors as integral part of supply chain. The key service inputs to manufacturing are sourced locally in almost all locations. The manpower suppliers/ contractors / maintenance etc. are some of key services taken locally from small vendors. The Company encourages and develops local manufacturers and small enterprises for supply of various locally procurable goods, e.g Boxing, Charging and small parts manufacturing. Regular technical assistance is given by the Company to upgrade and maintain the quality and sustainability of the products manufactured by such enterprises. 5 new vendor were added last year across India for supplying the plastic parts.

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 < 5%, 5-10%, >10%). Also provide details thereof in about 50 words or so.

Company has structured process to ensure recycling of products and waste generated during the process. The Battery as a product at the end of the life is exchanged by dealers and old battery is collected from customer. The Company also has subsidiary to process these batteries, and extract lead in environment friendly way. The extracted lead is key input for battery. During the process as well, wastes are generated in the form of rejects or process waste like rejected plate, lead dust which are collected through robust system and recycled. The Company ensures optimal usage of raw materials and emphasises on recycling the waste generated during manufacturing process and also promotes use of recycled materials. 'Chloride Metals Limited', the wholly owned subsidiary has two captive smelting plants for recycling of lead. Apart from the above, the packaging material used by the Company also contains recycled paper to a significant extent. Also, most of the Plants of the Company use

recycled grey water for cleaning and gardening purposes. All the manufacturing and one of the smelting units are certified under ISO 14000: EMS. As a result all these locations have a robust waste management system which ensures plastic recycling accruing to regular utilisation of recycled plastics for battery manufacturing. Bio-gas is also generated from canteen waste in one of the plants.

Principle 3

BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the total number of employees – 5,384
2. Please indicate the total number of employees hired on temporary/contractual/casual basis – 7,406
3. Please indicate the number of permanent women employees – 112
4. Please indicate the number of permanent employees with disabilities – 2
5. Do you have an employee association that is recognised by the management – Yes
6. What percentage of your permanent employees is members of this recognised employee association? – 55%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

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

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

- Permanent employees – 40 per cent
- Permanent women employees – 3 per cent
- Casual/temporary/contractual employees – 10 per cent
- Employees with disabilities – 100 per cent

Principle 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes. The Company has mapped its internal and external stakeholders as follows: Internal Stakeholders: All Employees

External Stakeholders: Customers, Dealers, Vendors, Technical Collaborators, Suppliers, Shareholders, Regulatory Authorities, NGOs, Social Institutions, communities around our operations and members of the society at large who are directly or indirectly impacted by the Company's operations.

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

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

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

Special initiatives had been taken up consciously by the organisation based on need assessment especially for the disadvantaged, vulnerable and marginalised stakeholders. Such initiatives were taken up by partnering with relevant organisations like Cheshire Homes Kolkata, Loreto Rainbow Project and India Sponsorship Committee. These initiatives revolved around appropriate nutrition, and health support for women with special abilities, children with disabilities for inclusive education and complete rehabilitation programmes for destitute children. Similarly, parallel initiatives were also implemented directly by some of the manufacturing units for health care, sanitation and livelihood enhancement programmes especially for destitute senior citizens, women and senior citizens from

vulnerable backgrounds around the plant locations to alleviate their quality of life.

Principle 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

Human right policy has been defined and communicated to all stakeholders. The areas specially covered are child labour, work hours, wages, forced labour, human trafficking, safe and healthy work place, valuing diversity and community and stakeholders engagement. The policy is communicated to suppliers and it is governed by the business code of conduct. All suppliers have signed the business code of conduct.

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

None.

Principle 6

BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

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

The Company's environment policy is communicated to all Company employees, subsidiaries, suppliers and all its stakeholders.

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 recognises that climate change is a real threat facing not just the Company but the entire global community, of which it is just a part. Green Supply Chain through E-sourcing, Lithium Ion Technology, East Penn Punch, Solar Power related projects and Solar Battery manufacturing technology are some of the key strategies. Our products are being designed as per the BS-VI standards. Company has large product pipeline to support the demand and usage of solar energy initiatives. Plastic waste act is being complied by the Company and we are ensuring the re-usage of plastic components. Also we have started the usage of PNG to reduce the CO2 emissions by our activities. The Company has a well laid down Environment and Sustainability policy and is always striving to implement measures to reduce GHG emissions. The Environmental Policy of the Company may be viewed at www.exideindustries.com.

Energy efficiency initiatives throughout all our manufacturing units by enhancing usage of renewable energy like solar power, low energy consuming electrification system. Also we recycle the water and use the water in gardening to reduce the water consumption across all factories.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes. There is risk management process for Company and its subsidiaries which actively identifies, assess and address potential environmental risks and take pre-emptive actions to mitigate such risks in a suitable manner. Risk Management framework at manufacturing units and subsidiaries are in operation. The vendors are also covered within the vendor sustainability model. Major vendors are already engaged for training and information dissemination on risk management. The engagement sessions with smaller vendors are in process. We have implemented the ISO 14001 system in all our factories and compliance to this standard with all regulatory requirements is ensured. Aspect and Impact of our operations/activities are identified and measures are ensured to reduce the impact on Environment through our operations/activities. Under corporate control environmental incidents and the improvements done are being monitored.

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?

In order to move forward in clean development, Company is optimising the SCM to reduce the carbon emissions in distribution network by shipment distances and making warehouses near to supply location. This will reduce the unnecessary vehicle movement pan India and reduce the carbon emissions. All manufacturing units and the smelting unit of our subsidiary Company CML at Malur along with the industrial regional offices are ISO 14001 certified. Clean Development Mechanism (CDM) is eventually stringently followed as part of the compliance system of the certification. Therefore air, water, noise emissions are monitored on a regular basis and regulated as per the prescribed norms for monthly reporting to the SPCBs at each location. Many of the Company's products are meant to provide clean energy or replacing polluting

technologies. The Company is also engaged in renewable energy and solar power business whereby it manufactures batteries for the solar power systems. The Company also manufactures batteries for electric vehicles and hybrid vehicles thereby contributing to the movement towards less dependence on fossil fuel.

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

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. Solar energy panels have been installed in number of factories, energy audit is conducted and recommendations are acted on. The Company has been progressively reducing its energy and raw material consumption per unit of battery manufactured. There is also a constant effort to conserve energy and improve energy efficiency at all locations. Substantial investments are made by the Company towards this end in all plants and the results achieved are regularly monitored. The Annexure to the Director's Report contains details of the steps taken to conserve energy during the financial year 2017-18. We do VA/VE in our products to reduce the lead consumption in the product so that we can reduce the consumption of natural resources and as our product is hazardous in nature so this will also result is reducing the hazardous waste.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. All factories comply with CPCB/SPCB requirements with the prescribed emission norms. Legal register and compliance evaluation process are in place at all the manufacturing and smelting units. All the factories of the Company comply with various norms of State or Central Pollution Control Boards. The Company's factories have also obtained international certifications for environmental management and cleanliness. These all reports are verified by Government official and by the third party Auditors of the certification bodies every year during their visit to factories.

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

No showcause or legal notices from the pollution control authorities are pending as at the end of the financial year 2017-18.

Principle 7

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY SHOULD DO SO IN A RESPONSIBLE MANNER

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

The major industry association of which the Company is a member includes:

- Bengal Chamber of Commerce and Industry
- Confederation of Indian Industry
- Engineering Export Promotion Council of India
- Society of Indian Automobile Manufacturers
- Indian Electrical and Electronics Manufacturers Association
- Bombay Chamber of Commerce and Industry and
- Indian Battery Manufacturers' Association.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? 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)

Through joint actions with various pollution control authorities and other associations, public awareness campaigns have been organised regarding the responsible use of lead and proper disposal thereof. The Company also took an active role in formulating the legislation for responsible handling and management of used lead acid batteries. Apart from this, the Company is represented on the governing bodies and several committees – both at the

state and national levels, of CII and the Bengal Chamber of Commerce and Industry and through these forums the Company actively participates in various issues concerning business and society. The Company is a member of RM Next lobby for promoting risk management system within the Indian corporate & CII Kolkata Mentor Group for Operational Excellence.

Principle 8

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

During FY 2017–18, the Company engaged in several socially inclusive and developmental projects. These were implemented not only at national level but around the adjoining areas of all its major plants and subsidiary units. Company considers sustainable development as an important aspect for its social investment for inclusive growth and equitable development. Promoting basic education, skill development programmes especially for women, public sanitation facilities, water conservation projects for making safe drinking water available at all levels especially at schools and public places, diverse health care programme across all locations both locally and nationally, substantial investment for inclusive education, rehabilitation of vulnerable communities including children with disability, women and senior citizens from vulnerable and marginalised backgrounds, strategic rural development projects all provides testimony of the entire gamut of inclusive growth and equitable development in pursuit of the policy related to Principle 8.

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

As mentioned in section: B Question No. 5 nearly 68% of the total CSR investments were executed through reputed national and international aid agencies/NGOs/government structures/local NGOs or in association with local elected bodies like panchayats and government schools. While about 32% of the investments for relevant projects were implemented through in-house and dedicated CSR teams at each plant and subsidiary units led by the central CSR team.

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

Yes. Some of the projects have been analysed for their impact on the target beneficiaries by the internal teams both at the unit and Head Office level.

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

Overall the Company has spent Rs. 1771.03 lacs on CSR projects during 2017-18 mainly for promoting education, sanitation, making available safe drinking water. Along with the above the other significant ones were for public healthcare, women empowerment and promoting education including special education and employment enhancing vocation skills, rural development, and eradication of hunger, poverty and malnutrition. Certain associated projects were undertaken for orphanages, measures for reducing inequalities faced by socially and economically backward groups, enduring environmental sustainability and conservation of natural resources, animal welfare, protection of flora and fauna, setting up old age homes, day care centers and such other facilities for senior citizens. Amongst these significant investments were made directly for rural infrastructure development projects adjoining plant locations in Haryana, Maharashtra and Tamil Nadu.

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

Community development initiatives at Exide are undertaken with a view to make the community self sufficient and self reliant. Such initiatives are undertaken in consultation with the communities through appropriate need assessment engagement sessions. Development of physical infrastructural projects has definitely helped the community to a great extent since these were developed in tandem with the community needs. Hence, the communities were aligned to adopt and adept accordingly. Further through impact analysis studies it has been found that some of the interventions have substantially achieved the intended objectives where the communities have started taking ownership especially for water related projects where a nominal amount are charged from the beneficiaries for collecting purified water from the community RO plants provided. This aspect helps to self-

sustain the RO plants and also takes care of its regular maintenance from the funds collected by selling purified water to the villagers.

Principle 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

   Company promptly resolves the customer complaint and has taken drive to close calls within 24 hours. There is escalation matrix in case complaints are not resolved promptly.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Answer with Yes/ No/NA/Remarks (additional information)**

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

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

   None. There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour against Exide Industries in the last five (5) years.

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

   We have process of taking the customer feedback and Customer satisfaction. It is taken periodically from all the OEMs. The overall score for the customer satisfaction in MC OE is 85%. In trade segment the feedback is taken from the customers through portals and one of the vital parameter, Turn Around Time (TAT) is monitored for all the complaints raised by the customers. The overall Pan India TAT is 2 days and is improving every year. In our Industrial segment the feedback from our customers is taken regularly and the improvements in products and services are done based on these feedbacks. In addition to the above customer care is an integral part of the organisational system for which Exide Industries Limited has set up more than 1500 exclusive outlets promising an out-of-the-world experience to customers. Familiar as **Exide Care**, these flagship outlets are the pride of Exide and reinforce the Company's commitment to superior customer care and service. These offer complete auto power solutions through the Company's wide range of products. **Exide Care** outlets are designed to maintain specified service standards and offer complete customer delight and experience of the brand through a combination of state-of-the-art design, pleasant ambience, cutting edge service technology and customer focus.

   Exide Care is an on-demand battery service **app** that aims to put an end to all battery related woes whether it's an automobile or inverter.

   Exide Batmobile, started in the year 2000 is an emergency on-road service for cars and SUVs with a battery problem. Millions of customers have benefited from this service over the last 16 years.

   We have created an ecosystem at our dealer outlets where a consumer can get his/her batteries checked and get a report card on its health within 10 minutes.

ANNEXURE - III

REPORT ON CORPORATE GOVERNANCE 2017-2018

GOVERNANCE PHILOSOPHY

The Company's approach and commitment to ethical Corporate Governance remains unchanged in its 71 years of existence. The underlying principles and core values still guide the Company in all its executive decision making processes.

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

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

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

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

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

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

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

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

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

THE GOVERNANCE STRUCTURE

The following three interlinked levels within which Exide practice Corporate Governance:

1. Strategic supervision – by the board of directors
2. Strategic management – by the executive committee
3. Executive management – by the divisional heads of businesses

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

The central role of these three entities is dependent on the structure. Their role, in turn determines the responsibilities that is vested in them. Each entity is formally empowered with the requisite powers so that there is no hindrance to its discharge of responsibilities for the overall growth of the organisation.

BOARD OF DIRECTORS

In terms of the Company's corporate governance policy, all statutory and other significant and material information are placed before the board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

Composition

As on the date of this report, the board of directors of the Company consists of four (4) executive directors and seven (7) non-executive directors. The composition of the board represents an optimal mix of professionalism, knowledge and experience in business, finance, law and corporate management which enables the board to discharge its responsibilities and provide effective leadership to the business. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the board is a non-executive independent director. None of the directors of your Company are related to each other.

The details of each member of the board along with the number of directorship(s)/committee membership(s)/chairmanship(s) are provided herein below:

Composition and directorship(s)/committee membership(s)/chairmanship(s) as on 31st March, 2018

Name of Director	Category of Directors	No. of other Directorships held(*)	Committee memberships held in other companies (**)	
			As Member	As Chairman
Mr. Bharat Dhirajlal Shah	Independent Non-Executive Chairman	9	8	1
Mr. R B Raheja	Non-Executive Vice Chairman	5	1	Nil
Mr. G Chatterjee	Executive Director	3	Nil	Nil
Mr. A K Mukherjee	Executive Director	3	1	Nil
Mr. Subir Chakraborty	Executive Director	3	Nil	Nil
Mr. Arun Mittal	Executive Director	2	Nil	Nil
Mr. Vijay Aggarwal	Independent Non-Executive Director	5	3	2
Ms. Mona N Desai	Independent Non-Executive Director	1	Nil	Nil
Mr. Sudhir Chand	Independent Non-Executive Director	1	2	Nil
Mr. Nawshir H Mirza	Independent Non-Executive Director	6	1	5
Mr. Surin Shailesh Kapadia***	Independent Non-Executive Director	1	Nil	Nil

* Excludes directorships in Indian private limited companies, foreign companies, Companies u/s 8 of the Companies Act, 2013 and memberships of managing committees of various chambers/bodies and alternate directorships.

** Committees include only audit committee and stakeholder's relationship committee.

*** Mr. Surin Shailesh Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017.

Appointment/Re-appointment of Directors

Mr. Surin Shailesh Kapadia has been appointed as an Additional Director of the Company on 25th October, 2017 on the recommendation of nomination and remuneration committee and board of directors.

Mr. A. K. Mukherjee – Whole-time director (designated as Director – Finance & CFO) and Mr. Arun Mittal – Whole-time director (designated as Director-Industrial), retire by rotation in accordance with the provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

A brief resume of the directors proposed to be appointed and re-appointed, along with the particulars of directorships held by them, has been appended to the notice for the Annual General Meeting which is being circulated to the members along with this report.

Mr. A. K. Mukherjee holds 1,000 equity shares and Mr. Arun Mittal holds 1,152 equity shares in the Company. Mr. Surin S Kapadia does not hold any equity shares in the Company.

Meetings and Attendance

During the financial year ended 31st March, 2018, four (4) board meetings were held on 4th May, 2017, 27th July, 2017, 25th October, 2017 and 31st January, 2018 respectively. The previous Annual General Meeting was held on 27th July, 2017.

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

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr. Bharat Dhirajlal Shah	3	-
Mr. R B Raheja	3	-
Mr. G Chatterjee	4	Yes
Mr. A K Mukherjee	4	Yes
Mr. Subir Chakraborty	4	Yes
Mr. Arun Mittal	4	Yes
Mr. Vijay Aggarwal	4	Yes
Ms. Mona N Desai	4	Yes
Mr. Sudhir Chand	4	Yes
Mr. Nawshir H Mirza	4	Yes
Mr. Surin S Kapadia*	2	N.A.

*Mr. Surin S Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017

Directors' Induction, Training and Familiarisation

The board is responsible for the selection of new directors on the recommendations received from the Nomination and Remuneration committee. After getting appointed, the directors receive a formal letter of appointment which inter alia explains the role, functions, duties and responsibilities expected from him/her as a director of the Company. The director is also explained in detail the compliances required to be made under the Companies Act and the SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations, 2015") and other relevant regulations.

By way of an introduction to the Company, the director is presented with the Company profile, annual reports and an overview of the Company's manufacturing facilities. All non-executive directors newly inducted in the board are introduced to the Company through appropriate orientation sessions. Presentations are made by various executive directors and senior management personnel and site visits to various plant locations are organised for them to provide a complete oversight into the Company's operations and business. Detailed presentations on Company's business segments, if any, performance updates, global business environment, business strategy and risks involved are periodically made at the board meetings during the year.

The details of such familiarisation programmes for independent directors along with the familiarisation policy are available on the company's website at http://www.exideindustries.com/investors/governance-policies.aspx.

Board Portal – Meetings Management System

With a view to leverage advancement in technology and reducing paper consumption, the Company has adopted a web-based application for transmitting board/committee agenda. The directors of the Company receive the agenda in electronic form through this application, which can be accessed through browsers and iPads/tablets. The application meets high standards of integrity and ensures confidentiality that is required for storage and transmission of board/committee agenda in electronic form.

Code of Conduct for Directors and Senior Executives

All directors and members of the senior management have affirmed their compliance with the Code of Conduct for board of directors and senior executives as on 31st March, 2018 and a declaration to that effect, signed by the Managing Director & CEO is enclosed and forms part of this report. The Code of Conduct for board of directors and senior executives has also been posted on the website of the Company.

COMMITTEES OF THE BOARD

A. Audit Committee

The role / terms of reference of the Audit Committee is to–

(a) Assist the board of directors of the Company in fulfilling its responsibilities to oversee the:

  i. Company's financial reporting process;

  ii. the integrity of the Company's financial statements as per authority and responsibilities provided in the Charter;

  iii. Auditors' appointment, qualifications and independence;

  iv. the performance of the Company's internal audit function and that of statutory auditors.

(b) Overseeing the reporting requirements for inclusion in the Company's annual report.

(c) Laying down the criteria for granting the omnibus approval in line with Policy on Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.

(d) Review of adequacy and effectiveness of Internal Financial Control, risk management system and vigil mechanism

(e) Review with management the quarterly and annual financial statements

The role / terms of reference of the Audit Committee are in conformity with the SEBI Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013.

Composition and Attendance

The audit committee presently comprises of five (5) non-executive independent directors. Mr. Nawshir H Mirza, Chairman of the committee is a non-executive independent director and a Chartered Accountant, acknowledged as a financial expert in his own right. All the other members are well versed in corporate finance and related areas.

During the financial year ended 31st March, 2018, six (6) meetings of the audit committee were held on 3rd May, 2017, 26th July, 2017, 25th October, 2017, 18th December, 2017, 31st January, 2018 and 6th March, 2018 respectively. The composition and attendance of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Nawshir H. Mirza	Independent Non-executive	Chairman	6
Mr. Vijay Aggarwal	Independent Non-executive	Member	6
Ms. Mona N Desai	Independent Non-executive	Member	6
Mr. Sudhir Chand	Independent Non-executive	Member	6
Mr. Surin S Kapadia*	Independent Non-executive	Member	2

*Mr. Surin S Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017

The Managing Director & CEO, Director- Finance & CFO and Chief- Internal Audit are permanent invitees to the audit committee meetings. The representative(s) of the statutory auditors also attend the audit committee meetings. The Company Secretary acts as the secretary to the committee. Other directors and members of the management are also invited as may be required from time to time.

B. Nomination & Remuneration Committee

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

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

ii. To recommend to the board appointment of directors and senior management personnel and their removal;

iii. To evaluate the individual directors performance;

iv. Formulate the criteria for determining the qualification, positive attribute and independence of the directors;

v. Recommend to the board policy relating to remuneration for directors, key managerial personnel and other employees; and

vi. Devising a policy on board diversity.

For the performance evaluation criteria for Independent Directors, please refer Board's Report.

Composition and Attendance

The Nomination and Remuneration committee presently comprises of three (3) non-executive directors. Mr. Vijay Aggarwal is the Chairman of the Committee who is also a non-executive independent director. The Company Secretary acts as the secretary to the Committee.

During the financial year ended 31st March, 2018, four (4) meetings of the Nomination & Remuneration committee were held on 4th May, 2017, 26th July, 2017, 25th October, 2017 and 31st January, 2018 respectively. The composition and attendance details of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Vijay Aggarwal	Independent Non-Executive	Chairman	4
Ms. Mona N Desai	Independent Non-Executive	Member	4
Mr. Sudhir Chand	Independent Non-Executive	Member	4

Remuneration of Directors

Details of Remuneration paid/payable to the Directors for the year ended 31st March, 2018 are as follows:

(in Rs.)

Name of Director	Salary & Performance Bonus	Contributions to retiral funds	Perquisites & Other benefits	Commission[1]	Sitting Fees[2]	Total
Executive directors						
Mr. G Chatterjee	2,34,48,400	54,85,567	13,39,985	1,08,99,200	-	4,11,73,152
Mr. A K Mukherjee	1,25,53,992	31,59,213	14,05,237	62,76,996	-	2,33,95,438
Mr. Subir Chakraborty	87,32,732	21,22,097	11,44,623	42,16,366	-	1,62,15,818
Mr. Arun Mittal	68,01,004	16,48,308	11,95,135	32,75,000	-	1,29,19,447
Non-executive directors						
Mr. R B Raheja	-	-	-	-	2,25,000	2,25,000
Mr. Vijay Aggarwal	-	-	-	12,50,000	6,00,000	18,50,000
Ms. Mona N Desai	-	-	-	12,50,000	6,00,000	18,50,000
Mr. Sudhir Chand	-	-	-	12,50,000	6,00,000	18,50,000
Mr. Bharat Dhirajlal Shah	-	-	-	35,00,000	2,25,000	37,25,000
Mr. Nawshir H Mirza	-	-	-	35,00,000	6,00,000	41,00,000
Mr. Surin Kapadia[3]	-	-	-	12,50,000	2,50,000	15,00,000

1. The commission for the year ended 31st March, 2018 will be paid, subject to deduction of tax, after adoption of accounts by the members at the ensuing Annual General Meeting
2. The sitting fees paid to the non executive directors is towards attending the Board and Audit Committee meetings held during the year.
3. Mr. Surin S Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017

Notes:

All the Executive Directors of the Company have been appointed on contractual basis. As per the contract, the notice period is 3 months.

Payment of remuneration to the executive/Whole-time directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of the Shareholders and the Central Government, where applicable.

Non-executive/independent directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. Non-executive independent directors may also be paid commission as approved by the shareholders subject to a limit of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. The commission payable to the independent directors is determined by the Board within the aforesaid limit of 1% of the net profits after taking into account their attendance roles and responsibilities in various Committees of the Board, their operational and functional expertise and contribution made by them.

In accordance with the approval of the Shareholders in the Annual General Meeting held on 19th July 2016, the payment of commission to non-executive directors has been determined by the Board, which is well within the ceiling of 1% of net profits of the Company for the year ended 31st March, 2018 as computed under applicable provisions of the Companies Act, 2013. The allocation of the commission amongst the eligible Non-executive independent directors has been decided by the Board with each interested director present not participating in the deliberations in respect of his own commission.

Shareholding of Non-Executive directors

Name of Director	No. of shares held as on 31st March, 2018
Ms Mona N Desai	78,666
Mr. S Chand	18,872

Apart from the above, there was no pecuniary relationship or transactions between the Company and non-executive directors.

The performance criteria for the purpose of payment of remuneration to the directors are in accordance with the Nomination and Remuneration policy of the Company.

C. Stakeholders' Relationship Committee

The Committee oversees redressal of shareholders' grievances pertaining to transfer of shares, non-receipt of dividend and non-receipt of annual reports. The Committee also oversees the performance of registrar and transfer agent and recommend the measures for overall improvement in the quality of investor services.

Composition and Attendance

The Stakeholders' Relationship Committee of the Company comprises of three (3) Directors. Mr. Sudhir Chand, non-executive independent director is the Chairman of the Stakeholders Relationship committee. Mr. Jitendra Kumar, Company Secretary and EVP - Legal & Administration, is the compliance officer and acts as the secretary to the committee.

During the financial year 2017-18, the Committee met once on 19th March, 2018. The composition and attendance details of the committee meeting are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Sudhir Chand	Independent Non-Executive	Chairman	1
Mr. Subir Chakraborty	Executive	Member	Nil
Mr. G. Chatterjee	Executive	Member	1

Investor Grievance Redressal Mechanism

During the financial year ended 31st March, 2018, 18 complaints were received from shareholders. All complaints have been redressed to the satisfaction of the shareholders and none of them were pending as on 31st March, 2018.

Number of complaints received and resolved during the year and pending share transfers as on 31st March, 2018:

Number of complaints pending at the beginning of the financial year 2017-18	Nil
Number of complaints received during the financial year 2017-18	18
Number of complaints redressed during the financial year 2017-18	18
Number of complaints pending redressal at the end of the financial year 2017-18	Nil
Number of pending share transfers as at 31st March, 2018	Nil

D. Share Transfer Committee

The Share Transfer committee approves the transfer/ transmission of shares, sub-division or consolidation of shares and issue of new/duplicate share certificates and related matters. The Share Transfer committee presently comprises of three (3) executive directors.

Composition and Attendance

During the financial year ended 31st March, 2018, 8 meetings of Share Transfer committee were held on 17th April, 2017, 2nd June, 2017, 1st August, 2017, 1st September, 2017, 7th November, 2017, 8th December, 2017, 29th January, 2018, and 5th March, 2018 respectively. The composition and attendance details of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. G Chatterjee	Executive	Chairman	8
Mr. A K Mukherjee	Executive	Member	8
Mr. Subir Chakraborty	Executive	Member	8

All routine matters including inter alia formalities pertaining to transfer, transmission, etc. within specified threshold limits as delegated by the Board are being dealt by "Share Transfer Committee of Executives" comprising of a representative from the registrar & share transfer agent, the compliance officer and an officer from the secretarial team which meets at least once in a fortnight.

E. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is responsible for -

1. formulating the CSR policy and proposing revisions as and when required subject to the approval of the board of directors;

2. proposing budget allocation for the CSR activities, subject to the approval of the board of directors;
3. identifying modalities of implementing the CSR activities;
4. formulation of an effective monitoring system;
5. monitoring the progress of the CSR programs on a regular basis;
6. review the impact assessment; and
7. annually report to the board, the status of CSR activities and contributions made.

The Committee has formulated a Corporate Social Responsibility policy indicating the activities to be undertaken by the Company and recommend the expenditure on the specified CSR activities pursuant to Schedule VII of the Companies Act, 2013 and also monitor the policy from time to time. The said policy is available on the website of the Company at http://www.exideindustries.com/investors/governance-policies.aspx

Composition & Attendance

The Corporate Social Responsibility Committee comprises of four (4) members with Mr. Bharat D Shah, non executive independent director acting as Chairman.

Four (4) meetings of the Corporate Social Responsibility Committee were held during the year on 4th May, 2017, 26th July, 2017, 25th October, 2017 and 31st January, 2018 respectively. The composition and attendance details of the Committee are given below:

Name of Director	Category	Designation	Number of meetings attended
Mr. Bharat Dhirajlal Shah	Independent Non-Executive	Chairman	4
Mr. Sudhir Chand	Independent Non-Executive	Member	4
Mr. G Chatterjee	Executive	Member	4
Mr. Subir Chakraborty	Executive	Member	4

F. Banking Operations Committee

The Banking Operations Committee has been constituted to approve opening and closing of bank accounts, change in signatories and carrying on other routine banking operations. The Committee presently comprises of three (3) executive directors, viz. Mr. G. Chatterjee, Mr. A K Mukherjee and Mr. Subir Chakraborty.

G. Executive Committee

The Executive Committee comprises of the executive directors, key management personnel and senior management personnel viz. Mr. G Chatterjee, Mr. A K Mukherjee, Mr. Subir Chakraborty, Mr. Arun Mittal, Mr. Arnab Saha, Dr. Dipak Sen Choudhury, Ms. Nupur Roy Choudhury, Mr. Ranjan Sarkar and Mr. Jitendra Kumar. Mr. Achim Leulsdorf resigned from the Company w.e.f. 30th September, 2017 and hence ceased to be member of the Committee. The Committee focuses on the strategic management issues of the Company, subject to the overall supervision of the board of directors.

H. Independent Directors Meeting

During the year under review, the Independent Directors met twice on 4th May, 2017 and on 31st January 2018 inter alia, to discuss:

i. Evaluation of the performance of non independent directors and the Board of Directors as a whole;
ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and non executive directors
iii. Evaluation of the quality, content and timelines of flow of information between the management and the board to effectively and reasonably perform its duties.

All the independent directors were present at the said meeting.

MAJOR POLICIES ADOPTED BY THE COMPANY

I. Whistle Blower Policy/Vigil Mechanism

In accordance with the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI Regulations 2015, every listed Company is required to have a vigil mechanism for the directors, employees and stakeholders to report their genuine concerns and grievances. The Company has a whistle blower policy in place and the same is also available on the website of the Company. The audit committee of directors is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel were denied access to audit committee.

The Whistle Blower Policy is uploaded on the Company's website under the following web-link http://www.exideindustries.com/investors/governance-policies.aspx

II. Policy on Material Subsidiaries

In accordance with the requirements of Regulation 16(1)(c) of SEBI Regulations, 2015 the Company has a policy on material subsidiaries. A subsidiary shall be considered a material subsidiary if any of the following conditions is satisfied:

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

The policy on material subsidiaries have been uploaded on the Company's website under the following web-link http://www.exideindustries.com/investors/governance-policies.aspx.

III. Policy on Related Party Transactions

All transactions entered into with the related parties during the financial year ended 31st March, 2018 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Regulations, 2015. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been made in the notes to the Financial Statements.

The policy for related party transactions has been uploaded on the Company's website. The web-link is http://www.exideindustries.com/investors/governance-policies.aspx

IV. Policy on Determination of Materiality for Disclosures and Archival Policy

In accordance with Regulation 30 of SEBI Regulations, 2015, the Company has framed a policy on determination of materiality for disclosures to disclose events or information which, in the opinion of the board of directors of the Company, are material. Further the Company has an archival policy in line with the requirements of SEBI Regulations to ensure that information relating to the Company is adequately disclosed on its website as required by law. The policies have been uploaded on the Company's website. The web-link is http://www.exideindustries.com/investors/governance-policies.aspx.

V. Policy on Preservation of Documents

In accordance with Regulation 9 of SEBI Regulations, 2015, the Company has framed a policy on preservation of documents approved by the Board of Directors of the Company. The policy is intended to define preservation of documents and to provide guidance to the executives and employees working in the Company to make decisions that may have an impact on the operations of the Company. It not only covers the various aspects on preservation of the documents, but also the safe disposal/destruction of the documents. The Policy has been uploaded on the Company's website. The web-link is http://www.exideindustries.com/investors/governance-policies.aspx.

VI. Dividend Distribution Policy

In accordance with Regulation 43A of SEBI Regulations, 2015, the Company has framed the Dividend Distribution Policy approved by the Board of Directors of the Company. The Dividend Distribution Policy of the Company endeavors to maintain a consistent approach towards dividend payment to its shareholders and regulate the process of dividend declaration and its payout by the Company as per the laws in force. The Policy inter alia covers the financial parameters that will be considered when declaring dividends, internal and external factors that would be considered for declaring dividends and the circumstances under which shareholders can or cannot expect dividend. The Policy has been uploaded on the Company's website. The web-link is http://www.exideindustries.com/investors/governancepolicies.aspx.

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
68th	31.03.2015	Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017	31.07.2015	11.00 AM
69th	31.03.2016	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	19.07.2016	11.00 AM
70th	31.03.2017	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	27.07.2017	11.30 AM

SPECIAL RESOLUTIONS

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

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act
31st July, 2015	Payment of Commission to Non-Executive Chairman & Non executive Independent Director	149, 197 and 198 of the Companies Act, 2013
	Adoption of new set Articles of Association	14 of the Companies Act, 2013
19th July, 2016	-	-
27th July, 2017	-	-

POSTAL BALLOT

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

DISCLOSURES

a. There were no materially significant related party transactions entered into by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

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

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

d. Disclosure of commodity price risk and commodity hedging activities

Lead and Lead Alloys are the primary materials consumed in the manufacture of batteries representing more than 70% of total material consumption by value.

The Company procures about 30% of its Lead and Lead Alloys requirement through imports or import parity pricing based on prices quoted on London Metal Exchange (LME). Balance 70% of its Lead and Lead Alloys are procured from Local Smelters, including its own Smelters, prices of which are influenced by demand/supply situation as well as LME price movement.

At times, prices of Lead and Lead Alloys become volatile due to sudden changes in demand/supply situation as well as LME price movement due to international forces. The Company procures Lead and Lead Alloys mostly at current pricing or on LME averages and there is no long-term contract for pricing.

About 30% of Company's business with OEMs as well as institutional customers are having "Lead price variation clause" (Lead price denominated pricing). Hence, this portion of the business is protected from Lead price volatility. Balance 70% of Company's business to retail customers are exposed to lead price volatility as prices are determined by market forces. However, increasing usage of recycled lead, replacing consumption of pure lead, which is cheaper than pure lead and not directly exposed to LME price movement, to some extent reduces the risk of Lead price volatility.

Exposure to currency fluctuations and its impact on Company's business is significant since about 30% of Lead and Lead Alloys procurement is based on "import parity price." Moreover, there are imports of few other materials as well as most of the capital goods (machineries).

While exposure to currency fluctuation on Lead and Lead alloy cost is to some extent mitigated as stated above, exposure on account of other imports remains. However, Exports, which constitutes about 5% of Company's business, acts as an automatic hedge against risks resulting from currency fluctuation.

As a policy, the Company does not enter into Commodity hedging. Accordingly, as on the date of reporting, there was no open position held by the Company on Commodity futures or options. Same principle applies in case of currency also. Very few "forward covers" are taken, at times, against import liabilities when situation warrants. As at end of March'18 there was no "forward cover contract" which remained open, for foreign currency liability.

e. The disclosures on corporate governance as required under Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 have been adhered and complied with.

MEANS OF COMMUNICATION

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

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

B. The Company's website at www.exideindustries.com is regularly updated with financial results.

C. Whether MD & A is a part of Annual Report : Yes

D. Whether Official news Releases and Presentations made to Institutional Investors/Analysts are posted on the web-site of the Company : Yes

GENERAL SHAREHOLDER INFORMATION

1. The 71st Annual General Meeting is proposed to be held for the financial year: 1st April 2017 to 31st March 2018.

2. The Company has furnished information, as required under Regulation 36 of SEBI (Listing Obligations & Disclosure

Requirements) Regulations, 2015, relating to appointment of new directors and re-appointment of retiring directors. Shareholders may kindly refer to the Notice convening the 71st Annual General Meeting of the Company. The name of other companies in which the directors appointed/ re-appointed holds directorship and the membership of committees of the board are also given in the annexure to the Notice convening the 71st Annual General Meeting.

3. Annual General Meeting for the financial year 2017-18

Date	2nd August, 2018
Venue	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017
Time	10.30 AM
Dates of Book Closure for Final Dividend	27.07.2018 to 02.08.2018
Last Date of receipt of Proxy Forms	31st July, 2018 (10.30 AM)

4. Tentative financial calendar for 2018-2019

First Quarterly Results	August, 2018
Second Quarterly/Half Yearly Results	November, 2018
Third Quarterly Results	January, 2019
Annual Results for the year ending on 31st March, 2019	April 2019
Annual General Meeting for the year ending on 31st March, 2019	July/August 2019

5. Dividend Payment Date

During the financial year 2017-18, the Company paid an interim dividend @ Rs 1.60 per equity share to its shareholders.

The final dividend @ Re. 0.80 per equity share as recommended by the board at its meeting held on 7th May, 2018 for the year ended 31st March, 2018, if approved by the shareholders at the ensuing Annual General Meeting to be held on 2nd August, 2018, will be paid within 30 days from the date of the Annual General Meeting.

Unclaimed Dividend

Section 124 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven (7) years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF:

Details of Unclaimed Dividend as on 31.03.2018

Year	Type	Account No	Date of Declaration	Due Date for transfer to IEPF
2011	Final	704718	21-Jul-11	26-Aug-18
2012	Interim	00142220002179	20-Oct-11	25-Nov-18
2012	Final	704784	17-Jul-12	27-Aug-19
2013	Interim	00142220002464	19-Oct-12	24-Nov-19
2013	Final	704862	16-Jul-13	21-Aug-20
2014	Interim	33105176380	23-Oct-13	29-Nov-20
2014	Final	50200006512872	22-Jul-14	28-Aug-21
2015	Interim	704922	21-Jul-14	21-Aug-21
2015	Final	50200013542151	31-Jul-15	06-Sept-22
2016	Interim	50200015464528	28-Oct-15	04-Dec-22
2016	Final	50200020247750	19-Jul-16	25-Aug-23
2017	Interim	705017	26-Oct-16	02-Dec-23
2017	Final	50200025616737	27-Jul-17	01-Sept-24
2018	Interim	50200027732367	25-Oct-17	30-Nov-24

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th July, 2017 (date of last Annual General Meeting) on the Company's website http://www.exideindustries.com/investors/unclaimed-dividends.aspx and on the website of Ministry of Corporate Affairs.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund

During the year, pursuant to Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 34,58,598 equity shares to the DEMAT Account of IEPF authority maintained with NSDL in respect of which dividend had remained unclaimed/unpaid for a consecutive period of seven years. The process of claiming unpaid/unclaimed dividend and/or shares transferred by the Company to IEPF is provided in the notes of the Notice of 71st Annual General Meeting of the Company and is also available at http://www.exideindustries.com/investors/unclaimed-dividends.aspx

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

ISIN: INE302A01020

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

Name and Address of the Stock Exchange	Stock Code	Symbol
The Calcutta Stock Exchange Limited (CSE) 7 Lyons Range, Kolkata - 700 001	15060 & 10015060	-
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500086	-
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5th Floor, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	-	EXIDEIND

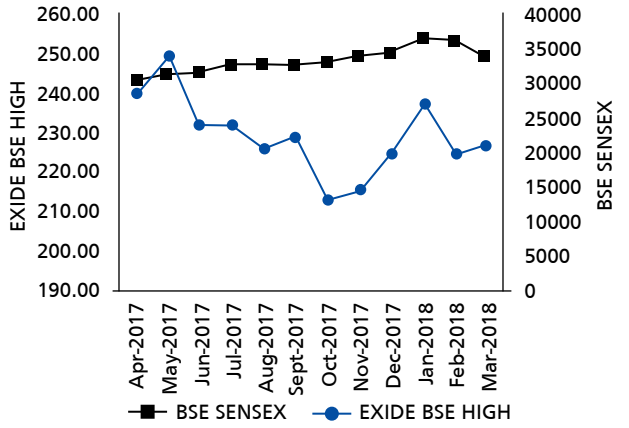
The listing fees for the Financial Year 2018-19 has been paid to the above Stock Exchanges.

7. Stock Market price date for the year on BSE, NSE & CSE

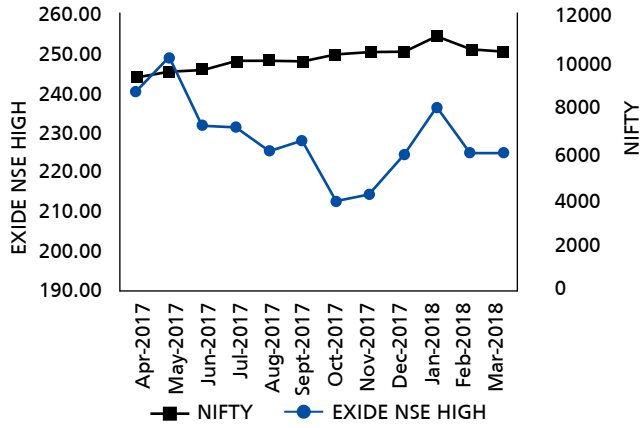
Month	BSE(#)		NSE(#)		CSE*	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2017	240.55	223.80	240.55	223.50	*	*
May 2017	249.70	219.90	250.00	219.20	*	*
June 2017	231.95	208.85	232.40	208.75	*	*
July 2017	231.95	213.00	232.00	212.50	*	*
August 2017	225.95	194.85	225.95	194.70	*	*
September 2017	229.00	197.00	228.40	197.00	*	*
October 2017	213.20	198.25	213.25	197.80	*	*
November 2017	214.65	195.30	214.80	195.10	*	*
December 2017	224.40	200.25	224.65	200.10	*	*
January 2018	237.05	214.20	237.20	214.15	*	*
February 2018	224.20	192.85	225.75	192.40	*	*
March 2018	226.80	202.50	225.75	202.45	*	*

(#) Source BSE and NSE web-site
* No trading on the exchange

8.(a)Performance of Exide Share Price in comparison to BSE Sensex



(b) Performance of Exide Share Price in comparison to NIFTY



9. Registrar and Transfer Agent

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

10. Share Transfer System

As stated above, the Company's shares are compulsorily traded in demat mode on the stock exchanges. The shareholders are therefore requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and share certificates, etc. should be sent by their Depository Participants (DP's) directly to the Share Transfer Agents. Any delay on the part of the DP's to send the DRF and the share certificates beyond 15 days from the date of generation of the DRN by the DP will be rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 15 days. Shareholders should, therefore, ensure that their DP's do not delay in sending the DRF and share certificates to the Share Transfer Agent after generating the DRN.

Request for transfer of shares held in physical form can be lodged with C B Management Services (P) Ltd. Share transfer processed and share certificate duly endorsed are issued within 30 days of the date of lodgment subject to documents being valid and complete in all respects. The decisions of the committee are placed at the next board meeting. The Company obtains from a Company Secretary in practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with stock exchanges.

11. Nomination Facility

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

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

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

12. Share Transfer Record

Month	No. of Transfer	No. of shares processed
April, 2017	3	5,143
May, 2017	1	4,040
June, 2017	5	8,772
July, 2017	3	920
August, 2017	NIL	NIL
September, 2017	1	11,860
October, 2017	2	5,240
November, 2017	1	500
December, 2017	3	407
January, 2018	2	2,041
February, 2018	6	3,169
March, 2018	3	878

13. Distribution of Shareholding as on 31.03.2018

Range	Shares		Shareholders	
	No. of shares of face value Re.1/- each	% of total shares	Total no. of holders	% of Total holders
1-5000	3,67,72,806	4.33	1,25,606	97.22
5001-10000	1,33,65,843	1.57	1,888	1.46
10001-20000	1,20,99,844	1.42	869	0.67
20001-30000	67,07,476	0.79	278	0.21
30001-40000	45,18,676	0.53	129	0.10
40001-50000	35,27,797	0.42	78	0.06
50001-100000	80,60,752	0.95	113	0.09
100001 & above	76,49,46,806	89.99	232	0.19
Total	**85,00,00,000**	**100.00**	**1,29,193**	**100.00**

14. Shareholding pattern of the Company as on 31.03.2018:

Category	No. of shares	% of total issued shares
Promoter Holding	39,09,54,666	45.99
Foreign Institutional Investors	12,12,60,914	14.27
Non Resident Individual	38,36,184	0.45
Mutual Funds	12,15,00,291	14.29
Financial Institutions, Insurance Companies & Banks	4,38,38,930	5.16
Public	9,64,66,050	11.35
Bodies Corporate	6,81,66,173	8.02
Directors & their relatives	5,18,194	0.06
Investor Education and Protection Fund	34,58,598	0.41
Total	**85,00,00,000**	**100.00**

15. Dematerialisation of Shares and Liquidity

Exide shares are tradable compulsorily in the electronic form. We have established connectivity with both depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).The International Securities Identification Number (ISIN) allotted to our shares under the Depository system is INE302A01020.

As on 31st March, 2018, 98.61% of the Company's total shares representing 83,82,19,455 shares are held in dematerialised form and 1.39% representing 1,17,80,545 shares are in physical form.

Category	Number		% to total equity
	Shareholders	Shares	
Demat Mode			
NSDL	78,400	81,67,51,764	96.09
CDSL	46,005	2,14,67,691	2.52
Total	**1,24,405**	**83,82,19,455**	**98.61**
Physical Mode	**4,788**	**1,17,80,545**	**1.39**
Grand Total	**1,29,193**	**85,00,00,000**	**100.00**

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

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

17. Cost Audit

Name of the Cost Auditor:	Shome & Banerjee Cost Accountants 5A, Nurulla Doctor Lane (West Range) 2nd Floor, Kolkata–700 017 Regn No.: 000001
Actual date of filing the Cost Audit Report For 2016-17	: 22nd August, 2017

18. Commodity Price risk or Foreign Exchange risk and Hedging activities

The same has already been explained under the heading 'Disclosures' in this report.

19. Plant Locations

State	Address
West Bengal	91 New Chord Road, Authpur, Shamnagar, 24 Parganas (N)- 743 128
West Bengal	Durgachak, Haldia, Dist Midnapore (E), West Bengal- 721 602
Haryana	Plot No. 179, Sector 3, HSIIDC Growth Centre, Bawal- 123 501
Maharashtra	D2, MIDC Industrial Estate, Chinchwad East, Pune- 411 019
Maharashtra	Plot No. T-17 MIDC Taloja Industrial Area, Taloja- 410 208
Maharashtra	E-5, MIDC, Nagpur Taluka, Ahmednagar - 414 111
Tamil Nadu	Chichurakanapalli, Sevaganapalli Panchayat, Hosur Taluk, Dist Krishnagiri - 635 103
Uttarakhand	Khasra No. - 275, Lakeshwari Industrial Area, Bhagwanpur, Roorkee, Dist-Haridwar – 247 661
Uttarakhand	Plot No. 31, Sector 8A, Integrated Industrial Estate, Ranipur, Haridwar – 249 403

20. Address for Correspondence

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

All Shareholders'correspondence should be addressed to:

(a) Share Department, Exide Industries Limited
Exide House, 59E Chowringhee Road,
Kolkata- 700 020.

Contact Person:
Mr. Jitendra Kumar
Company Secretary and Compliance Officer
Tel Nos. : [033] 23023400/ 22832118/2150/2171
Fax No. : [033] 2283 2637
Email : Jitendrak@exide.co.in

(b) C B Management Service (P) Ltd,
P-22 Bondel Road, Kolkata- 700 019

Contact Person:
Mr. Amit Banerjee,
GM- Operations
Tel No. : [033] 4011 6700/6725/6729/6742
Fax No. : [033] 40116739
Email : rta@cbmsl.com

(c) For investor grievances, shareholders may send an email to cosec@exide.co.in

Status as regards adoption/non adoption of discretionary requirements laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Report on Corporate Governance

Particulars	Status
The Board A non-executive Chairperson may be entitled to maintain a Chairperson's office at the expense of the Company and also allowed reimbursement of expenses incurred in performance of his duties.	Not Adopted
Shareholders Rights A half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.	Not Adopted
Modified opinion (s) in audit report Company may move towards a regime of financial statements with unmodified audit opinion.	Company's financial statements have unmodified audit opinion
Separate posts of Chairperson and CEO The Company may appoint separate persons to the post of Chairperson and Managing Director/CEO.	Adopted
Reporting of Internal Auditor The Internal auditor may report directly to the Audit Committee.	Not Adopted

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed with the Directors' Report.

Auditor's Certificate on Corporate Governance

To
The Members of Exide Industries Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 19th April 2018.

2. We have examined the compliance of conditions of Corporate Governance by Exide Industries Limited ('the Company'), for the year ended 31st March, 2018, as per regulations 17-27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1 April 2017 to 31 March 2018.

MANAGEMENT'S RESPONSIBILITY FOR COMPLIANCE WITH THE CONDITIONS OF LISTING REGULATIONS

3. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is responsible for ensuring that the Company complies with the requirements as stipulated in Regulations 17-27, Clauses(b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1 April 2017 to 31 March 2018. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the report and applying an appropriate basis of preparation

AUDITORS' RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2018.

5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note 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. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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.

RESTRICTION ON USE

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W– 100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership Number : 055757

Place: Mumbai
Date: 7th May, 2018

Certification by Chief Executive Officer (CEO) & Chief Financial Officer (CFO)

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

We, Gautam Chatterjee, Managing Director & CEO and A K Mukherjee, Director-Finance & CFO of Exide Industries Limited certify to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that we have reviewed the financial statement and cash flow statement of the Company for the financial year ended 31st March, 2018.

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

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Sd/-
A K Mukherjee
Director-Finance & CFO
DIN: 00131626

Place: Mumbai
Date: 7th May, 2018

Annual Declaration under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

DECLARATION

As required under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and senior executives of the Company have complied with Code of Conduct of the Company for the year ended 31st March, 2018.

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Place: Mumbai
Date: 7th May, 2018

ANNEXURE - IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**
   Extracts of the CSR Policy is stated towards the end of this Report:

   Weblink:
   http://www.exideindustries.com/investors/governance-policies.aspx

2. **Composition of the CSR Committee:**
   Mr. Bharat D Shah (Chairman)
   Mr. Sudhir Chand (Member)
   Mr. Gautam Chatterjee (Member)
   Mr. Subir Chakraborty (Member)

3. **Average net profit of the Company for last three financial years:**
   Average net profit: Rs. 88,218 lacs

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**
   Rs. 1,764.20 lacs

5. **Details of CSR spend for the financial year:**
   a. **Total amount spent for the financial year:**
      Rs. 1,771.03 lacs*
   b. **Amount unspent, if any:**
      None

* During the year an additional amount of Rs. 48.08 Lacs has been invested for Cancer patients through Indian Cancer Society, which is not included in the amount mentioned under point no. 5 (a) above.

c. **Manner in which the amount spent during the Financial Year is detailed below:**

(Rs. in Lacs)

Sl No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects and programme was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or though Implementing Agency
1	Promoting health care including preventive health care	Clause i	Maharashtra - Mumbai	608.00	608.00	608.00	Diabetics Association of India; Society for the Rehabilitation of Paraplegics; Marrow Donor Registry (India); Calcutta Rescue
2	Sanitation and making available safe drinking water	Clause i	West Bengal - Malda, South 24 Parganas, Kolkata; Assam - Kamrup & Dibrugarh; Bihar - Vaishali & Rohtas; Maharashtra - Raigarh, Pune, Ahmednagar; Haryana - Rewari	156.00	156.00	156.00	Unicef & Rotary Club of Calcutta Midtown
3	Contribution to the Prime Minister' National Relief Fund	Clause viii		50.00	50.00	50.00	Prime Minister's National Relief Fund
4	Contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation	Clause i		50.00	50.00	50.00	Swach Bharat Kosh

c. Manner in which the amount spent during the Financial Year is detailed below: (Contd.)

(Rs. in Lacs)

Sl No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects and programme was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or though Implementing Agency
5	Promoting education, including vocation skills especially among children	Clause ii	West Bengal - Kolkata	60.85	60.85	60.85	Haltu Arya Balika Vidyalaya, Young Men's Welfare Society, Loreto Rainbow Project & South Gurukul Society
6	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Clause i	West Bengal - Kolkata	11.00	11.00	11.00	Holy Tabernacle & Cheshire Homes India-Kolkata unit
7	Sanitation and making available safe drinking water; Promoting education; Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care; promoting education especially among children; setting up homes for orphans and measures for reducing inequalities faced by socially and economically backward groups; enduring environmental sustainability and conservation of natural resources	Clause i; ii; iii; iv	Maharashtra - Pune	72.00	72.00	72.00	YUVA Unstoppable & India Sponsorship Committee
8	Promoting education including special education and employment enhancing vocation skills & enduring environmental sustainability and conservation of natural resources	Clause ii; iv		200.00	200.00	200.00	Wildlife Conservation Trust
9	Promoting health care including preventive health care	Clause i	Haryana - Rewari; Maharashtra - Raigarh, Ahmednagar; Tamil Nadu - Krishnagiri; West Bengal - South 24 Parganas, Purba Medinipur, Kolkata	273.01	263.69	263.69	Direct

c. Manner in which the amount spent during the Financial Year is detailed below: (Contd.)

(Rs. in Lacs)

Sl No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects and programme was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or though Implementing Agency
10	Sanitation and making available safe drinking water & Promoting education including special education and employment enhancing vocation skills & Setting up public libraries	Clause i; ii; v	Maharashtra - Pune; Tamil Nadu - Krishnagiri; Uttarakhand - Haridwar & Roorkee; West Bengal - South 24 Parganas, Purba Medinipur	186.58	184.03	184.03	Direct
11	Promoting education & women empowerment	Clause ii; iii	Haryana - Rewari; Maharashtra - Raigarh, Pune	17.91	15.92	15.92	Direct
12	Sanitation and making available safe drinking water	Clause i	Haryana - Rewari; Maharashtra - Ahmednagar, Pune; Tamil Nadu - Krishnagiri; West Bengal - Purba Medinipur	41.65	40.47	40.47	Direct
13	Setting up old age homes, day care centers and such other facilities for senior citizens	Clause iii	Maharashtra - Raigarh	4.75	4.75	4.75	Direct
14	Enduring environmental sustainability and conservation of natural resources, animal welfare protection of flora and fauna	Clause iv	Haryana - Rewari; West Bengal - South 24 Parganas	41.90	41.82	41.82	Direct
15	Rural development projects	Clause x	Haryana - Rewari; Tamil Nadu - Krishnagiri	12.50	12.50	12.50	Direct
	Total			**1,786.15**	**1,771.03**	**1,771.03**	

6. The Company has no shortfall in CSR spending during the year under review.

7. Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

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

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Sd/-
Bharat D Shah
Chairman of the CSR Committee
DIN: 00136969

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

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

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

To pursue these objectives we will continue to:

i Increasingly contribute to activities that are beneficial to the society and community at large.

ii Chart out a mechanism for undertaking CSR activities.

iii Engage with the Company's key stakeholders in matters related to CSR activities.

iv Align the CSR activities undertaken by the Company with the applicable laws.

ANNEXURE - V

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	L31402WB1947PLC014919
ii)	Registration Date	:	31st January 1947
iii)	Name of the Company	:	**Exide Industries Limited**
iv)	Category/Sub-Category of the Company	:	Public Company Limited by Shares
v)	Address of the Registered office and contact details	:	Exide Industries Limited, Exide House, Ph: 033 2302 3400 2283 2118/2150/2171 59 E Chowringhee Road, Kolkata 700020
vi)	Whether listed company Yes/No	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any :	:	C B Management Sevices (P) Ltd. P-22, Bondel Road, Kolkata 700019, West Bengal, India Ph: +913340116700/6729 Fax: +913340116739 Email: rta@cbmsl.com, Website: www.cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% total turnover of the Company
1	Storage Battery	27202	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiaries/ Associate	% of shares held	Applicable Section
1	**Chloride Power Systems & Solutions Ltd.** Exide House,59E Chowringhee Road, Kolkata 700 020	U31100WB1980PLC032796	Subsidiary	100%	Section 2(87)(ii)
2	**Chloride Metals Ltd.** Exide House,59E Chowringhee Road, Kolkata 700 020	U34300WB1998PLC181003	Subsidiary	100%	Section 2(87)(ii)
3	**Exide Life Insurance Company Ltd.** No. 3/1, 3rd floor, JP Techno Park, Millers Road, Bangalore - 560001	U66010KA2000PLC028273	Subsidiary	100%	Section 2(87)(ii)
4	**Chloride International Ltd.** Exide House, 59E Chowringhee Road, Kolkata 700 020	U31402WB1947PLC014918	Subsidiary	100%	Section 2(87)(ii)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - (Contd.)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiaries/ Associate	% of shares held	Applicable Section
5	**Chloride Batteries S.E Asia Pte. Ltd.** 106, Neythal Road Singapore 628594	N.A.	Subsidiary	100%	Section 2(87)(ii)
6	**Associated Battery Manufacturers (Ceylon) Ltd.** 481, T .B Jayah Mawatha Colombo 10	N.A.	Subsidiary	61.50%	Section 2(87)(ii)
7	**Espex Batteries Ltd.** Fairway House, Link Business Park, Street Mellons, Cardiff, South Glamorgan CF3 0LT	N.A.	Subsidiary	100%	Section 2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

(i) Category-wise ShareHolding

Category of Shareholders	No. of Shares held at the beginning of the Year (As on 1st April 2017)				No. of Shares held at the end of the Year (As on 31st March 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other...	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2) Foreign	-	-	-	-	-	-	-	-	-
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	39,09,54,666	-	39,09,54,666	45.99	39,09,54,666	-	39,09,54,666	45.99	-
(d) Banks/ FI	-	-	-	-	-	-	-	-	-
(e) Any Other...	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)-	**39,09,54,666**	**-**	**39,09,54,666**	**45.99**	**39,09,54,666**	**-**	**39,09,54,666**	**45.99**	**-**
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	**39,09,54,666**	**-**	**39,09,54,666**	**45.99**	**39,09,54,666**	**-**	**39,09,54,666**	**45.99**	**-**

(i) Category-wise ShareHolding (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the Year (As on 1st April 2017)				No. of Shares held at the end of the Year (As on 31st March 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding (s)									
1. Institutions									
a) Mutual Funds	10,21,56,285	-	10,21,56,285	12.02	12,15,00,291	-	12,15,00,291	14.29	2.28
b) Banks/FI	6,36,484	3,69,983	10,06,467	0.12	3,00,615	3,61,423	6,62,038	0.08	(0.04)
c) Central Govt	-	-	-	-	-	21,653	21,653	0.00	0.00
d)State Govt	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	6,15,54,085	-	6,15,54,085	7.24	4,31,55,239	-	4,31,55,239	5.08	(2.16)
g) FIIs	3,84,55,156	6,760	3,84,61,916	4.52	2,69,99,543	-	2,69,99,543	3.18	(1.35)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	**20,28,02,010**	**3,76,743**	**20,31,78,753**	**23.90**	**19,19,55,688**	**3,83,076**	**19,23,38,764**	**22.63**	**(1.28)**
B2.Non- Institutions									
a) Bodies Corp.									
i) Indian	6,28,68,263	1,58,824	6,30,27,087	7.41	6,64,77,393	1,48,764	6,66,26,157	7.84	0.42
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	5,90,86,501	1,47,04,901	7,37,91,402	8.68	6,26,77,333	1,05,04,994	7,31,82,327	8.61	(0.07)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	2,70,40,781	6,84,079	2,77,24,860	3.26	2,03,02,156	4,14,080	2,07,16,236	2.44	(0.82)
c) Others (specify)									
NRI	34,51,256	3,09,434	37,60,690	0.44	35,05,043	2,54,631	37,59,674	0.44	0.00
Clearing Member	22,45,107	-	22,45,107	0.26	15,40,016	-	15,40,016	0.18	(0.08)
OCB	-	-	-	-	-	-	-	-	-
Trust	45,48,775	-	45,48,775	0.54	30,62,641	-	30,62,641	0.36	(0.17)
Foreigh Portfolio Investor	8,06,58,370	-	8,06,58,370	9.49	9,01,61,762	-	9,01,61,762	10.61	1.12
Foreign National	1,510	85,740	87,250	0.01	1,510	75,000	76,510	0.01	0.00
Alternate Investment Fund	-	-	-	0.00	40,99,609	-	40,99,609	0.48	0.48
Custodian of enemy property	23,040	-	23,040	0.00	23,040	-	23,040	0.00	0.00
IEPF	-	-	-	0.00	34,58,598	-	34,58,598	0.41	0.41
Sub-total(B)(2):-	**23,99,23,603**	**1,59,42,978**	**25,58,66,581**	**30.10**	**25,53,09,101**	**1,13,97,469**	**26,67,06,570**	**31.38**	**1.28**
Total Public Shareholding (B) = (B) (1)+ (B) (2)	**44,27,25,613**	**1,63,19,721**	**45,90,45,334**	**54.01**	**44,72,64,789**	**1,17,80,545**	**45,90,45,334**	**54.01**	0.00
Total (A) + (B)	**83,36,80,279**	**1,63,19,721**	**85,00,00,000**	**100.00**	**83,82,19,455**	**1,17,80,545**	**85,00,00,000**	**100.00**	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**83,36,80,279**	**1,63,19,721**	**85,00,00,000**	**100.00**	**83,82,19,455**	**1,17,80,545**	**85,00,00,000**	**100.00**	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholding at the beginning of the year (As on 01.04.2017)				Shareholding at the end of the year (As on 31.03.2018)			
	Shareholder's Name	No of Shares	% of total shares of Company	% of shares Pledged/ encumbered to total shares	Shareholder's Name	No of Shares	% of total shares of Company	% of shares Pledged/ encumbered to total shares
1	Chloride Eastern Ltd.	39,09,54,666	45.99	NIL	Chloride Eastern Ltd.	39,09,54,666	45.99	NIL
	Total	**39,09,54,666**	**45.99**	**NIL**		**39,09,54,666**	**45.99**	**NIL**

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

Sl No.		Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Chloride Eastern Ltd.**				
	At the beginning of the year	39,09,54,666	45.99	39,09,54,666	45.99
	Datewise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	There was no increase / decrease in Promoter Shareholding during the year		-	-
	At the End of the year (31.03.2018)	**39,09,54,666**	**45.99**	**39,09,54,666**	**45.99**

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

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2018)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	**Hathway Investments Ltd.**						
(a)	At the beginning of the year	1-Apr-2017	-	3,67,52,730	4.32	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-Mar-2018	-	-	-	3,67,52,730	4.32
2	**Government Pension Fund Global**						
(a)	At the beginning of the year	1-Apr-2017	-	2,90,59,854	3.42	-	-
(b)	Changes during the year	14-Apr-2017	Buy	2,00,286	0.02	2,92,60,140	3.44
		21-Apr-2017	Buy	3,70,894	0.04	2,96,31,034	3.49
		19-May-2017	Sale	3,19,005	0.04	2,93,12,029	3.45
		4-Aug-2017	Buy	2,12,591	0.03	2,95,24,620	3.47
		11-Aug-2017	Buy	3,00,000	0.04	2,98,24,620	3.51
		18-Aug-2017	Buy	53,210	0.01	2,98,77,830	3.52
		25-Aug-2017	Buy	10,65,460	0.13	3,09,43,290	3.64
		1-Sep-2017	Buy	4,43,561	0.05	3,13,86,851	3.69
		6-Oct-2017	Sale	13,20,932	0.16	3,00,65,919	3.54
		13-Oct-2017	Sale	32,87,483	0.39	2,67,78,436	3.15

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2018)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		24-Nov-2017	Buy	1,679	0.00	2,67,80,115	3.15
		8-Dec-2017	Buy	3,55,000	0.04	2,71,35,115	3.19
		15-Dec-2017	Buy	2,00,000	0.02	2,73,35,115	3.22
		5-Jan-2018	Sale	30,415	0.00	2,73,04,700	3.21
		12-Jan-2018	Sale	5,25,642	0.06	2,67,79,058	3.15
		19-Jan-2018	Sale	16,308	0.00	2,67,62,750	3.15
		9-Feb-2018	Sale	2,75,337	0.03	2,64,87,413	3.12
		16-Feb-2018	Sale	27,231	0.00	2,64,60,182	3.11
(c)	At the end of the year	31-Mar-2018	-	-	-	2,64,60,182	3.11
3	**ICICI Prudential Discovery Fund**						
(a)	At the beginning of the year	1-Apr-2017	-	1,26,06,036	1.48	-	-
(b)	Changes during the year	31-Oct-2017	Buy	43,92,743	0.52	1,69,98,779	2.00
		3-Nov-2017	Buy	19,90,761	0.23	1,89,89,540	2.23
(c)	At the end of the year	31-Mar-2018	-	-	-	1,89,89,540	2.23
4	**HDFC Trustee Company Ltd - A/C HDFC Mid Cap Opportunities Fund**						
(a)	At the beginning of the year	1-Apr-2017	-	81,00,000	0.95	-	-
(b)	Changes during the year	27-Oct-2017	Buy	6,70,000	0.08	87,70,000	1.03
		5-Jan-2018	Buy	16,20,000	0.19	1,03,90,000	1.22
		12-Jan-2018	Buy	3,42,000	0.04	1,07,32,000	1.26
		19-Jan-2018	Buy	3,00,000	0.04	1,10,32,000	1.30
		9-Feb-2018	Buy	1,17,000	0.01	1,11,49,000	1.31
		16-Feb-2018	Buy	3,90,000	0.05	1,15,39,000	1.36
		23-Feb-2018	Buy	9,06,000	0.11	1,24,45,000	1.46
		9-Mar-2018	Buy	5,00,000	0.06	1,29,45,000	1.52
		16-Mar-2018	Buy	17,31,000	0.20	1,46,76,000	1.73
		23-Mar-2018	Buy	17,19,000	0.20	1,63,95,000	1.93
		30-Mar-2018	Buy	18,30,000	0.22	1,82,25,000	2.14
(c)	At the end of the year	31-Mar-2018	-	-	-	1,82,25,000	2.14
5	**The New India Assurance Company Limited**						
(a)	At the beginning of the year	1-Apr-2017	-	1,77,31,080	2.09	-	-
(b)	Changes during the year	2-Jun-2017	Sale	15,000	0.00	1,77,16,080	2.08
		9-Jun-2017	Sale	2,84,620	0.03	1,74,31,460	2.05
		16-Jun-2017	Sale	1,00,380	0.01	1,73,31,080	2.04
		23-Jun-2017	Sale	1,05,592	0.01	1,72,25,488	2.03
		30-Jun-2017	Sale	94,408	0.01	1,71,31,080	2.02
		29-Sep-2017	Sale	6,84,641	0.08	1,64,46,439	1.93
		6-Oct-2017	Sale	2,69,205	0.03	1,61,77,234	1.90
		23-Mar-2018	Sale	81,793	0.01	1,60,95,441	1.89
		30-Mar-2018	Sale	1,68,207	0.02	1,59,27,234	1.87
(c)	At the end of the year	31-Mar-2018	-	-	-	1,59,27,234	1.87

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2018)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6	**Life Insurance Corporation of India**						
(a)	At the beginning of the year	1-Apr-2017	-	3,25,66,143	3.83	-	-
(b)	Changes during the year	2-Jun-2017	Sale	11,16,518	0.13	3,14,49,625	3.70
		9-Jun-2017	Sale	18,67,479	0.22	2,95,82,146	3.48
		16-Jun-2017	Sale	18,79,028	0.22	2,77,03,118	3.26
		23-Jun-2017	Sale	1,36,975	0.02	2,75,66,143	3.24
		20-Jul-2017	Sale	6,43,356	0.08	2,69,22,787	3.17
		21-Jul-2017	Sale	5,00,000	0.06	2,64,22,787	3.11
		28-Jul-2017	Sale	16,74,195	0.20	2,47,48,592	2.91
		4-Aug-2017	Sale	11,82,449	0.14	2,35,66,143	2.77
		18-Aug-2017	Sale	6,08,000	0.07	2,29,58,143	2.70
		25-Aug-2017	Sale	24,65,920	0.29	2,04,92,223	2.41
		1-Sep-2017	Sale	34,91,617	0.41	1,70,00,606	2.00
		8-Sep-2017	Sale	14,34,463	0.17	1,55,66,143	1.83
(c)	At the end of the year	31-Mar-2018	-	-	-	1,55,66,143	1.83
7	**DSP Blackrock Small and Mid Cap Fund****						
(a)	At the beginning of the year	1-Apr-2017	-	46,22,397	0.54	-	-
(b)	Changes during the year	7-Apr-2017	Buy	5,000	0.00	46,27,397	0.54
		23-Jun-2017	Buy	4,70,153	0.06	50,97,550	0.60
		30-Jun-2017	Buy	5,79,096	0.07	56,76,646	0.67
		7-Jul-2017	Buy	3,36,136	0.04	60,12,782	0.71
		28-Jul-2017	Buy	8,86,565	0.10	68,99,347	0.81
		18-Aug-2017	Buy	45,470	0.01	69,44,817	0.82
		31-Oct-2017	Buy	4,61,899	0.05	74,06,716	0.87
		1-Dec-2017	Buy	11,47,399	0.13	85,54,115	1.01
		8-Dec-2017	Buy	7,87,818	0.09	93,41,933	1.10
		15-Dec-2017	Buy	4,66,973	0.05	98,08,906	1.15
		22-Dec-2017	Buy	73,761	0.01	98,82,667	1.16
		29-Dec-2017	Buy	10,81,604	0.13	1,09,64,271	1.29
		5-Jan-2018	Buy	1,35,000	0.02	1,10,99,271	1.31
		30-Mar-2018	Buy	4,45,509	0.05	1,15,44,780	1.36
(c)	At the end of the year	31-Mar-2018	-	-	-	1,15,44,780	1.36
8	**Baron Emerging Markets Fund**						
(a)	At the beginning of the year	1-Apr-2017	-	1,08,25,000	1.27	-	-
(b)	Changes during the year	7-Apr-2017	Sale	4,18,878	0.05	1,04,06,122	1.22
		5-May-2017	Buy	4,25,000	0.05	1,08,31,122	1.27
		12-May-2017	Buy	25,000	0.00	1,08,56,122	1.28
		8-Sep-2017	Buy	2,89,275	0.03	1,11,45,397	1.31
		19-Jan-2018	Buy	6,50,000	0.08	1,17,95,397	1.39
		2-Mar-2018	Sale	5,00,000	0.06	1,12,95,397	1.33
(c)	At the end of the year	31-Mar-2018	-	-	-	1,12,95,397	1.33

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2018)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	**HDFC Standard Life Insurance Company Limited**						
(a)	At the beginning of the year	1-Apr-2017	-	1,00,84,463	1.19	-	-
(b)	Changes during the year	7-Apr-2017	Buy	5,989	0.00	1,00,90,452	1.19
		14-Apr-2017	Sale	1,06,976	0.01	99,83,476	1.17
		21-Apr-2017	Sale	43,805	0.01	99,39,671	1.17
		28-Apr-2017	Sale	4,469	0.00	99,35,202	1.17
		5-May-2017	Sale	5,00,000	0.06	94,35,202	1.11
		12-May-2017	Sale	2,04,271	0.02	92,30,931	1.09
		19-May-2017	Sale	1,351	0.00	92,29,580	1.09
		2-Jun-2017	Sale	602	0.00	92,28,978	1.09
		9-Jun-2017	Sale	28,920	0.00	92,00,058	1.08
		23-Jun-2017	Sale	45,481	0.01	91,54,577	1.08
		30-Jun-2017	Sale	15,726	0.00	91,38,851	1.08
		14-Jul-2017	Sale	296	0.00	91,38,555	1.08
		20-Jul-2017	Sale	17,479	0.00	91,21,076	1.07
		21-Jul-2017	Buy	10,608	0.00	91,31,684	1.07
		4-Aug-2017	Sale	23	0.00	91,31,661	1.07
		11-Aug-2017	Sale	1,655	0.00	91,30,006	1.07
		18-Aug-2017	Buy	50,000	0.01	91,80,006	1.08
		25-Aug-2017	Buy	31,750	0.00	92,11,756	1.08
		1-Sep-2017	Buy	2,028	0.00	92,13,784	1.08
		8-Sep-2017	Buy	900	0.00	92,14,684	1.08
		15-Sep-2017	Buy	1,500	0.00	92,16,184	1.08
		22-Sep-2017	Sale	9,977	0.00	92,06,207	1.08
		29-Sep-2017	Sale	1,497	0.00	92,04,710	1.08
		20-Oct-2017	Buy	716	0.00	92,05,426	1.08
		27-Oct-2017	Sale	175	0.00	92,05,251	1.08
		3-Nov-2017	Sale	2,590	0.00	92,02,661	1.08
		6-Nov-2017	Sale	1,000	0.00	92,01,661	1.08
		17-Nov-2017	Buy	1,138	0.00	92,02,799	1.08
		1-Dec-2017	Sale	151	0.00	92,02,648	1.08
		8-Dec-2017	Sale	906	0.00	92,01,742	1.08
		15-Dec-2017	Sale	1,20,030	0.01	90,81,712	1.07
		22-Dec-2017	Sale	98,460	0.01	89,83,252	1.06
		29-Dec-2017	Sale	6,607	0.00	89,76,645	1.06
		5-Jan-2018	Sale	25,000	0.00	89,51,645	1.05
		12-Jan-2018	Sale	34,628	0.00	89,17,017	1.05
		19-Jan-2018	Sale	35,628	0.00	88,81,389	1.04
		26-Jan-2018	Buy	504	0.00	88,81,893	1.04
		2-Feb-2018	Sale	10,535	0.00	88,71,358	1.04
		9-Feb-2018	Buy	47,610	0.01	89,18,968	1.05
		16-Feb-2018	Buy	474	0.00	89,19,442	1.05
		23-Feb-2018	Buy	2,719	0.00	89,22,161	1.05

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2018)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		2-Mar-2018	Sale	55	0.00	89,22,106	1.05
		16-Mar-2018	Sale	16,597	0.00	89,05,509	1.05
		23-Mar-2018	Buy	3,76,488	0.04	92,81,997	1.09
(c)	At the end of the year	31-Mar-2018	-	-	-	92,81,997	1.09
10	**ICICI Prudential Life Insurance Company Limited ****						
(a)	At the beginning of the year	1-Apr-2017	-	62,95,084	0.74	-	-
(b)	Changes during the year	7-Apr-2017	Buy	140	0.00	62,95,224	0.74
		14-Apr-2017	Sale	6,734	0.00	62,88,490	0.74
		21-Apr-2017	Sale	6,147	0.00	62,82,343	0.74
		28-Apr-2017	Buy	54	0.00	62,82,397	0.74
		5-May-2017	Sale	26,100	0.00	62,56,297	0.74
		12-May-2017	Buy	279	0.00	62,56,576	0.74
		19-May-2017	Buy	150	0.00	62,56,726	0.74
		26-May-2017	Buy	132	0.00	62,56,858	0.74
		2-Jun-2017	Buy	391	0.00	62,57,249	0.74
		9-Jun-2017	Sale	625	0.00	62,56,624	0.74
		16-Jun-2017	Buy	18,349	0.00	62,74,973	0.74
		23-Jun-2017	Buy	13,687	0.00	62,88,660	0.74
		30-Jun-2017	Buy	12,450	0.00	63,01,110	0.74
		7-Jul-2017	Buy	18,068	0.00	63,19,178	0.74
		14-Jul-2017	Buy	2,132	0.00	63,21,310	0.74
		20-Jul-2017	Buy	6,206	0.00	63,27,516	0.74
		21-Jul-2017	Buy	1,986	0.00	63,29,502	0.74
		28-Jul-2017	Buy	7,005	0.00	63,36,507	0.75
		4-Aug-2017	Buy	17,124	0.00	63,53,631	0.75
		11-Aug-2017	Buy	5,753	0.00	63,59,384	0.75
		18-Aug-2017	Buy	7,012	0.00	63,66,396	0.75
		25-Aug-2017	Buy	7,235	0.00	63,73,631	0.75
		1-Sep-2017	Buy	10,033	0.00	63,83,664	0.75
		8-Sep-2017	Buy	18,611	0.00	64,02,275	0.75
		15-Sep-2017	Buy	17,563	0.00	64,19,838	0.76
		22-Sep-2017	Buy	9,269	0.00	64,29,107	0.76
		29-Sep-2017	Buy	13,315	0.00	64,42,422	0.76
		6-Oct-2017	Buy	44,576	0.01	64,86,998	0.76
		13-Oct-2017	Sale	66,242	0.01	64,20,756	0.76
		20-Oct-2017	Sale	28,503	0.00	63,92,253	0.75
		27-Oct-2017	Sale	2,69,657	0.03	61,22,596	0.72
		31-Oct-2017	Sale	5,019	0.00	61,17,577	0.72
		3-Nov-2017	Buy	2,187	0.00	61,19,764	0.72
		6-Nov-2017	Buy	2,609	0.00	61,22,373	0.72

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2018)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		10-Nov-2017	Buy	1,241	0.00	61,23,614	0.72
		17-Nov-2017	Buy	3,715	0.00	61,27,329	0.72
		24-Nov-2017	Buy	2,293	0.00	61,29,622	0.72
		1-Dec-2017	Sale	4,527	0.00	61,25,095	0.72
		8-Dec-2017	Sale	7,414	0.00	61,17,681	0.72
		15-Dec-2017	Buy	4,154	0.00	61,21,835	0.72
		22-Dec-2017	Buy	5,024	0.00	61,26,859	0.72
		29-Dec-2017	Sale	3,902	0.00	61,22,957	0.72
		5-Jan-2018	Buy	1,265	0.00	61,24,222	0.72
		12-Jan-2018	Sale	11,879	0.00	61,12,343	0.72
		26-Jan-2018	Sale	1,644	0.00	61,10,699	0.72
		2-Feb-2018	Buy	805	0.00	61,11,504	0.72
		9-Feb-2018	Buy	20,08,238	0.24	81,19,742	0.96
		16-Feb-2018	Sale	1,957	0.00	81,17,785	0.96
		23-Feb-2018	Sale	25,008	0.00	80,92,777	0.95
		2-Mar-2018	Sale	20,752	0.00	80,72,025	0.95
		9-Mar-2018	Buy	6,54,329	0.08	87,26,354	1.03
		16-Mar-2018	Buy	3,33,464	0.04	90,59,818	1.07
		23-Mar-2018	Buy	32,089	0.00	90,91,907	1.07
		30-Mar-2018	Buy	4,095	0.00	90,96,002	1.07
(c)	At the end of the year	31-Mar-2018	-	-	-	90,96,002	1.07

** Not in the list of Top 10 Shareholders as on 01/04/2017. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 31/03/2018.

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Name of Directors / KMPs					
	Gautam Chatterjee	Subir Chakraborty	A K Mukherjee	Arun Mittal	Mona N Desai	Sudhir Chand
At the beginning of the year	NIL	1,106	1,000	1,152	78,666	18,872
Datewise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	10,000 (purchased 5000 shares each on 18.08.2017 and 28.08.2017 respectively)	NIL	NIL	NIL	NIL	NIL
At the End of the year	10,000	1,106	1,000	1,152	78,666	18,872

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

V. STATEMENT FOR INDEBTEDNESS AS ON 31.03.2018

		Secured Loans excluding deposits	Unsecured Loans excluding deposit	Deposits	Total Indebtedness
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
Indebtedness at the beginning of the Financial Year 2017-18					
(i)	Principal Amount	18,49,66,445	1,51,73,03,905	-	1,70,22,70,350
(ii)	Interest due but not paid	-	-	-	-
(iii)	Interest accrued but not due	6,59,966	47,62,199	-	54,22,165
Total (i+ii+iii)		**18,56,26,411**	**1,52,20,66,104**	**-**	**1,70,76,92,515**
Change in indebtedness during the Financial Year 2017-18					
Addition					
(i)	Principal Amount	-	-	-	-
(ii)	Interest due but not paid	-	-	-	-
(iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**-**	**-**	**-**	**-**
Reduction -Principal Amount		18,49,66,445	1,51,73,03,905	-	1,70,22,70,350
Reduction-Interest accrued but not due		6,59,966	47,62,199	-	54,22,165
Total (i+ii+iii)		**18,56,26,411**	**1,52,20,66,104**	**-**	**1,70,76,92,515**
Net Change		-	-	-	-
Indebtedness at the end of the Financial Year 2017-18					
(i)	Principal Amount	-	-	-	-
(ii)	Interest due but not paid	-	-	-	-
(iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**-**	**-**	**-**	**-**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

in Rs.

Sl. No.	Particulars of Remuneration	Name of MD / WTD/ Manager				Total Amount
		G. Chatterjee	A. K. Mukherjee	Subir Chakraborty	Arun Mittal	
1	Gross salary					
(a)	Salary as per provisions contained in Section17(1) of the Income-tax Act, 1961	2,34,48,400	1,25,53,992	87,32,732	68,01,004	5,15,36,128
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	13,39,985	14,05,237	11,44,623	11,95,135	50,84,980
(c)	Profits in lieu of salary under Section 17(3) of Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	1,08,99,200	62,76,996	42,16,366	32,75,000	2,46,67,562
	- as % of profit					
	- others, specify...					
5	Others ,please specify (Retiral Benefits)	54,85,567	31,59,213	21,22,097	16,48,308	1,24,15,185
	Total (A) = (1+2+3+4+5)	**4,11,73,152**	**2,33,95,438**	**1,62,15,818**	**1,29,19,447**	**9,37,03,855**
	Ceiling as per the Act	Rs. 1,00,61,58,553/- (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

B. Remuneration to other directors:

in Rs.

Sl. No.	Particulars of Remuneration	Name of Director							Total Amount
		R B Raheja	Mona N Desai	Vijay Aggarwal	Bharat Shah	Sudhir Chand	Nawshir Mirza	Surin Kapadia	
1	**Independent Directors**								
	Fee for attending board & committee meetings	-	6,00,000	6,00,000	2,25,000	6,00,000	6,00,000	2,50,000	28,75,000
	Commission[1]	-	12,50,000	12,50,000	35,00,000	12,50,000	35,00,000	12,50,000	1,20,00,000
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	**-**	**18,50,000**	**18,50,000**	**37,25,000**	**18,50,000**	**41,00,000**	**15,00,000**	**1,48,75,000**
2	**Other Non-Executive Directors**								
	Fee for attending board & committee meetings	2,25,000	-	-	-	-	-	-	2,25,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	**2,25,000**	**-**	**-**	**-**	**-**	**-**	**-**	**2,25,000**
	Total (B) = (1+2)	**2,25,000**	**18,50,000**	**18,50,000**	**37,25,000**	**18,50,000**	**41,00,000**	**15,00,000**	**1,51,00,000**
	Total Managerial Remuneration (A+B)								**10,88,03,855**
	Overall Ceiling as per the Act	Rs. 1,10,67,74,408/- (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)							

1. The commission for the year ended 31st March, 2018 will be paid, subject to deduction of tax, after adoption of accounts by the members

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

in Rs.

Sl. No.	Particulars of Remuneration	Jitendra Kumar (Company Secretary)	Total
1	Gross salary		
	(a) Salary as per provisions contained in Section17(1) of the Income-tax Act, 1961	51,65,388	51,65,388
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	9,47,606	9,47,606
	(c) Profits in lieu of salary under Section 17(3) of Income- tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify (Retiral Benefits)	7,54,649	7,54,649
	Total (C) = (1+2+3+4+5)	**68,67,643**	**68,67,643**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A.	**Company**					
	Penalty					
	Punishment					
	Compounding					
B.	**Directors**					
	Penalty					
	Punishment			NIL		
	Compounding					
C.	**Other Officers in Default**					
	Penalty					
	Punishment					
	Compounding					

On behalf of Board of Directors

Sd/-
(Bharat D Shah)
Chairman
DIN: 00136969

Place: Mumbai
Date: 7th May, 2018

ANNEXURE - VI

Information as per Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2018.

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

There is constant focus at all level in the organisation to conserve the energy and use it efficiently. This is also key to financial success, as energy is one of important cost element of conversion cost. Your Company has been implementing short and long term actions to improve the energy efficiency as its commitment towards minimising the effects of factors of climate change. It has grounded mechanism to excel in this area. Regular review is conducted for evaluating the progress and effectiveness of various ongoing initiatives to reduce the energy consumption. TPM is leveraged to excel in operation. Factories of your Company have 'Energy' as one of TPM Pillar which exclusively focuses on achieving global performance standards. Periodic energy audit is also conducted.

Some of the initiatives undertaken by your Company to conserve energy includes:

- Installation of energy efficient pumps
- Replacement of electrically heated melting pot to PNG fired / LPG Fired melting pot.
- Maintaining power factor as unity at plant throughout the year.
- Installation of energy efficient skid grid aging ovens
- Use of LED lighting system in place of conventional lighting
- Usage of Variable Speed Drive for better efficiency of AHU
- Optimisation of Plate formation charger for Energy Saving
- Energy saved through retrofitting of Rectiformer
- Installation of Master switch for Lighting
- Installation of VFD for Air compressors
- Use of VFD Panel for JF fume extraction system linked to loading of charging tanks
- Day light Harvesting by using Noori Cool Lighting System resulted in saving in Taloja plant
- Use of Energy efficient water pumps in L.O. Mill
- Use of energy-less roof turbine ventilators to improve ventilation and work environment.
- Optimise utilisation of blower by auto timer arrangement
- Installation of Energy Monitoring System at Shop Floors for monitoring, proper utilisation and saving of energy
- Energy saving through implementation of electronics timers to switch off Industrial ovens as per pre-defined Transformer baking process-time

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

- Installing Solar panels on rooftop at some of the plants
- Installation of SKY shad Pipe light
- Use of energy-less roof turbine ventilators to improve ventilation

(iii) The Capital investment made by the Company on energy conservation equipment during the financial year ended 31st March, 2018: Rs 6.66 crore

B. TECHNOLOGY ABSORPTION

I. Technology Absorption, Adaptation and Innovation

In order to maintain its leadership position, your Company is continuously focused on upgrading its product and manufacturing technology as well as acquire new and advanced technology to meet the emerging expectations of the customers. The R&D Department is actively involved in the development of new cutting-edge products together with developments in new materials as well as advanced manufacturing techniques. The activities are in full consonance of the Company objective of offering the most advanced energy storage solutions at minimum cost. Your Company also acquires state-of-the-art technologies through technical collaboration agreements with leading international battery manufacturers. The in-house R&D plays a major role in providing the interface between the Company priorities and the adoption of the collaborators technology.

Up-gradation of the existing range of our products with help from our collaborators is a continuous process. This happens through visits from either side, exchange of mail etc.

II. Benefits

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

III. Particulars of Imported Technology in the last 3 years

Sl No.	Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
1	Automotive and Valve Regulated Lead Acid Storage Batteries (VRLA) with 'Shin-Kobe Electric Machinery Co. Ltd.', Japan for Shamnagar, Haldia, Chinchwad and Hosur Plants	Since 1994 – 95. Current arrangement is effective from 1st April, 2015 and is valid upto 31st March, 2020	Agreement is for Technical Assistance for continuous improvements in manufacturing technology, process etc. of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing.
2	Valve Regulated Lead Acid Storage Batteries (VRLA) for Motorcycles with Furukawa Battery Co. Ltd, Japan for Bawal and Ahmednagar Plants	Since 9th March 2007. Current arrangement is effective from 1st April 2015 and is valid till 31st March 2020	Agreement is for Technical Assistance for continuous improvements in manufacturing technology, process etc. of different products and is in progress	Since the technology is continuous, the Agreement will be ongoing
3	Automotive Batteries with C21 Alloy with Furukawa Battery Co. Ltd, Japan for Taloja and Bawal Plants	Since 2010. Current arrangement is effective from 1st December 2015 and is valid till 30th November 2020	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing
4	Automotive Technical Assistance Agreement with Furukawa Battery Co. Ltd, Japan for Taloja and Bawal Plants	Since 1987-1988. Current arrangement is effective from 1st December 2015 and is valid till 30th November 2020.	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing
5	Automotive Batteries for Idling Stop System with Furukawa Battery Co. Ltd, Japan for Taloja and Bawal Plants	Since 1st February 2010. Current arrangement is effective from 1st April 2015 and is valid till 31st March 2020	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing
6	Lead acid batteries, used for automotive, industrial, motor cycle and other applications, with East Penn Manufacturing Co., USA	Effective from 15th January, 2017 and is valid upto 14th January, 2020	In progress	Under development
7	Special Conventional Batteries for Automotive applications with Shin-Kobe Electric Machinery Co. Ltd. Japan	Effective from 3rd February, 2013 and is valid upto 2nd February, 2023	In progress	Under development
8	Technical assistance to manufacture Li-Ion batteries with Zhejiang Chaowei Chuangyuan Shiye Co. Ltd. Group, China	Effective from 3rd January, 2017 and is valid till 2nd January, 2025	In progress	Under development

III. Particulars of Imported Technology in the last 3 years (Contd.)

Sl No.	Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
9	Technology Cooperation and joint marketing of energy storage solution centred around Ultra Battery Technology with Smart Storage Pty Ltd. Australia (Ecoult)	Effective from 1st January, 2017 and is valid upto 31st December, 2021	In progress	Under development
10	Ultra Battery (UB) technology for stationary applications from East Penn Manufacturing Co., USA.	Effective from 1st January, 2017 and is valid upto 31st December, 2021	In progress	Under development
11	License to use and manufacture battery packs and modules using Lithium Ion technology for various applications developed by Centre for Electric Vehicles, Indian Institute of Technology Madras and Grinntech Motors and Services Private Limited.	Effective from 28th August, 2017 with validity upto 27th August, 2027.	In progress	Under development
12	License to use the Know-how and Technology for Bi-Polar lead acid storage batteries from 'Advanced Battery Concepts, LLC, USA'.	Effective from 18th December, 2017 and is valid upto 17th December, 2037.	In progress	Under development
13	License to use the technology in respect of enhanced flooded batteries, heavy duty batteries, motorcycle AGM batteries and stationary flooded batteries from 'Acumuladores Moura S.A., Brazil and Instituto De Tecnologia Edson Mororo ITEMM, Brazil'.	Effective from 26th February, 2018 and is valid upto 25th February, 2028	In progress	Under development

IV. Expenditure on Research & Development

The capital and revenue expenditure on R & D were Rs. 6.27 crores and Rs. 21.81 crores respectively, aggregating to Rs. 28.08 crores.

Total R & D expenditure as percentage of Net Turnover: 0.30%

C. FOREIGN EXCHANGE – EARNINGS AND OUTGOINGS

Total Foreign Exchange used and earned:

Used : Rs. 903.20 crores

Earned : Rs. 371.64 crores

On behalf of the Board of Directors

Sd/-
(Bharat D Shah)
Chairman
DIN: 00136969

Place: Mumbai
Date: 7th May, 2018

ANNEXURE - VII

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Requirements of Rule 5(1)	Details	
The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	**Directors:**	
	Mr. Gautam Chatterjee	: 38x
	Mr. A K Mukherjee	: 22x
	Mr. Subir Chakraborty	: 15x
	Mr. Arun Mittal	: 11x
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	**Directors:**	
	Mr. Gautam Chatterjee	: 10%
	Mr. A K Mukherjee	: 10%
	Mr. Subir Chakraborty	: 10%
	Mr. Arun Mittal	: 19.09%
	Key Managerial Personnel:	
	Mr. Jitendra Kumar	: 8.54%
The percentage increase in the median remuneration of employees in the financial year	15%	
The number of permanent employees on the rolls of company	5384 employees as on 31.03.2018	
Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Salary increase of non-managerial employees is 13%	
	Average Salary increase of managerial employees is 13%	
	There are no exceptional circumstances in increase in managerial remuneration	
Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended 31st March, 2018 is as per the Remuneration Policy of the Company.	

On behalf of the Board of Directors

Sd/-
(Bharat D Shah)
Chairman
DIN: 00136969

Place: Mumbai
Date: 7th May, 2018

Independent Auditor's Report

To the Members of Exide Industries Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of Exide Industries Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the 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 standalone Ind AS financial statements").

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, read with relevant rules issued thereunder.

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 judgements 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit 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 judgement, 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 are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a

Independent Auditor's Report

going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained 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, 2018, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

OTHER MATTER

The comparative financial information of the company for the year ended March 31, 2017 included in these standalone Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information dated May 4, 2017 expressed an unmodified opinion.

Our opinion is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   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, 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 38 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 disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended March 31, 2017 have been disclosed.

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership no: 055757

Place: Mumbai
Date: May 7, 2018

Annexure A to the Independent Auditor's Report (Referred to in our report of even date)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2018, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except the following:

(Rs in Crores)

Total number of Cases	Class of Asset	Gross Block at March 31, 2018	Net Block at March 31, 2018
3	Residential Apartments	2.55	1.73
1	Leasehold land	41.00	40.99
1	Freehold land	3.77	3.77

(ii) The inventory, except goods in transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management.

(iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security during the year that would attract provisions of section 185 and 186 of the Act. The provisions of section 186 of the Act in respect of investments made, have been complied with by the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service Tax, Goods and Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service Tax, Goods and Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Sales Tax, Service tax, duty of Customs, duty of Excise and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute, except the following.

Name of the Statute	Nature of the dues	Amount in Rupees* (In Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Sales tax (including interest and penalty, as applicable)	41.19	1997-98 to 2017-18	Appellate Authority up to Commissioner's level
The Central Sales Tax Act, 1956	Sales tax (including interest and penalty, as applicable)	8.21	2000-01 to 2012-13	Sales Tax Appellate Tribunals of various states
Various State Sales Tax Act	Sales tax (including interest and penalty, as applicable)	36.52	1996-97 to 2017-18	Appellate Authority up to Commissioner's level
Various State Sales Tax Act	Sales tax (including interest and penalty, as applicable)	6.33	2000-01 to 2012-13	Value Added Tax Appellate Tribunals of various states
Various State Sales Tax Act	Sales tax (including interest and penalty, as applicable)	0.19	2000-01 and 2008-09	High Courts of various states
Service tax (Finance Act, 1994)	Service tax (including interest and penalty, as applicable)	0.47	2008-09 to 2015-16	Appellate Authority up to Commissioner's level
Service tax (Finance Act, 1994)	Service tax (including interest and penalty, as applicable)	26.79	2005-06 to 2015-16	Tribunal of various states
The Central Excise Act, 1944	Excise duty (including interest and penalty, as applicable)	4.44	1998-99 to 2015-16	Appellate Authorities up to Commissioner's level
The Central Excise Act, 1944	Excise duty (including interest and penalty, as applicable)	0.13	2001-02 to 2005-06	High Court of Calcutta
The Central Excise Act, 1944	Excise duty (including interest and penalty, as applicable)	0.44	1993-94 to 1995-96	Supreme Court of India
The Central Excise Act, 1944	Excise duty (including interest and penalty, as applicable)	85.18	1994-95 to 2015-16	Customs, Excise and Service Tax Appellate Tribunals of various states
Customs Act, 1962	Custom duty (including interest and penalty, as applicable)	4.52	2010-11	Customs, Excise and Service Tax Appellate Tribunals of various states
Income Tax Act, 1961	Income tax	115.58	2012-13, 2013-14 and 2014-15	Commissioner of Income Tax (Appeals)

*Amounts are net of pre-deposits, made under protest, aggregating to Rs.72.46 crores.

(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 from financial institutions or banks. The Company did not have any outstanding loan or borrowings from government or debenture holders during the year.

(ix) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order is not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership no: 055757

Place: Mumbai
Date: May 7, 2018

Annexure B to the Independent Auditor's Report (Referred to in our report of even date)

Report on the Internal Financial Controls 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 Exide Industries Limited ("the Company") as of March 31, 2018 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 ('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 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 Act.

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 whether 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 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 Ind AS 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 Ind AS 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 Ind AS 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, 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, 2018, 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 ICAI.

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership no: 055757

Place: Mumbai
Date: May 7, 2018

Balance Sheet

as at March 31, 2018

(Rs. in Crores)

Particulars	Note No.	March 31, 2018	March 31, 2017
I) ASSETS			
1) Non Current Assets			
a) Property, Plant and Equipment	2	1,934.97	1,524.50
b) Capital Work-in-Progress		233.50	141.36
c) Other Intangible Assets	3	23.36	21.50
d) Financial Assets			
(i) Investments	4	1,765.11	1,768.46
(ii) Trade Receivables	5	1.18	1.81
(iii) Loans and Deposits	6	12.62	13.03
e) Current Tax Assets (Net)		71.66	74.33
f) Other Non-Current Assets	7	102.51	80.23
		4,144.91	**3,625.22**
2) Current Assets			
a) Inventories	8	1,760.15	1,527.37
b) Financial Assets			
(i) Investments	9	203.89	905.48
(ii) Trade Receivables	10	943.39	621.65
(iii) Cash and Cash Equivalents	11	78.51	11.19
(iv) Bank balances other than (iii) above	12	8.68	8.38
(v) Loans and Deposits	13	14.58	10.46
(vi) Other Financial Assets	14	24.80	24.54
c) Other Current Assets	15	217.97	41.31
		3,251.97	**3,150.38**
Total Assets		**7,396.88**	**6,775.60**
II) EQUITY AND LIABILITIES			
1) Equity			
a) Equity Share Capital	16	85.00	85.00
b) Other Equity	17	5,304.31	4,878.59
		5,389.31	**4,963.59**
2) Liabilities			
(i) Non-Current Liabilities			
a) Financial Liabilities			
(i) Trade Payables	18	4.36	3.73
(ii) Other Financial Liabilities	19	2.62	2.07
b) Provisions	20	46.45	42.54
c) Deferred Tax Liabilities (Net)	21	140.50	155.18
		193.93	**203.52**
ii) Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	22	-	170.23
(ii) Trade Payables	23		
Total outstanding dues of Micro and Small Enterprises		4.08	10.04
Total outstanding dues of others		1,074.63	757.81
(iii) Other Financial Liabilities	24	335.56	316.21
b) Other Current Liabilities	25	166.51	132.07
c) Provisions	26	232.86	222.13
		1,813.64	**1,608.49**
Total Equity and Liabilities		**7,396.88**	**6,775.60**
Significant accounting policies	1		

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

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Statement of Profit and Loss

for the year ended March 31, 2018

(Rs. in Crores)

Particulars		Note No.	2017-18	2016-17
I)	**INCOME:**			
	Revenue from Operations	27	9,459.80	8,553.74
	Other Income	28	58.41	103.88
	Total Income (I)		**9,518.21**	**8,657.62**
II)	**EXPENSES:**			
	Cost of materials consumed	29	6,130.12	4,993.60
	Purchase of Stock-in-trade		24.84	15.71
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(144.53)	(294.25)
	Excise Duty		273.48	970.27
	Employee Benefits Expenses	31	597.17	519.57
	Other expenses	34	1,337.96	1,266.36
	Total expenses (II)		**8,219.04**	**7,471.26**
III)	**EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION EXPENSES (I-II)**		**1,299.17**	**1,186.36**
	Finance Costs	32	5.24	4.31
	Depreciation and amortisation expenses	33	245.94	206.32
IV)	**INTEREST, DEPRECIATION AND AMORTISATION EXPENSES**		**251.18**	**210.63**
V)	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)**		**1,047.99**	**975.73**
VI)	**EXCEPTIONAL ITEMS**		41.83	-
VII)	**PROFIT BEFORE TAX (V-VI)**		**1,006.16**	**975.73**
VIII)	**TAX EXPENSES:**			
	1. Current Tax [net of reversal of provision for earlier years Rs. 9.42 crs (PY: Rs. 8.44 crs)]		352.96	253.85
	2. Deferred Tax		(15.15)	28.24
			337.81	**282.09**
IX)	**PROFIT FOR THE YEAR (VII-VIII)**		**668.35**	**693.64**
X)	**OTHER COMPREHENSIVE INCOME (OCI)**			
	Other Comprehensive Income not to be reclassified to Statement of Profit and Loss in subsequent periods :			
	a) Re-Measurement gains/(losses) on defined benefit plans	37	1.58	(3.13)
	Income tax effect		(0.55)	1.08
	b) Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value		1.79	3.95
	Income tax effect		0.08	-
	Other Comprehensive Income for the year		**2.90**	**1.90**
XI)	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)**		**671.25**	**695.54**
	Earnings per share - Basic and Diluted (Nominal value Re. 1 per share (PY Re. 1 per share))		7.86	8.16
	Significant accounting policies	1		

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

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Cash Flow Statement

for the year ended March 31, 2018

(Rs. in Crores)

Particulars	2017-18		2016-17	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax		1,006.16		975.73
Adjustment for:				
Depreciation and Amortisation	245.94		206.32	
Loss on Fixed Assets sold / discarded (net)	2.21		0.55	
Dividend Income	(35.21)		(79.31)	
Rent Income	(0.05)		(0.04)	
Finance costs	5.24		4.31	
Interest Income	(0.60)		(10.53)	
Fair Value adjustment of Mutual Fund	(0.50)		(0.75)	
		217.03		120.55
Operating profit before working capital changes		1,223.19		1,096.28
(Increase) in Trade Receivables (net of provision)	(321.11)		(18.93)	
(Increase) in Inventories	(232.79)		(393.86)	
(Increase) / decrease in Loans, other Financial Assets and other Assets	(201.35)		0.83	
Increase in other Financial Liabilities, other Liabilities and Provisions	398.96	(356.29)	26.81	(385.15)
Cash generated from operations		866.90		711.13
Direct Taxes Paid (net of refunds and interest thereon)		(350.29)		(281.22)
Net Cash from operating activities		516.61		429.91
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase and construction of Property, Plant and Equipment (including intangible assets)	(772.17)		(416.06)	
Proceeds from sale of Property, Plant and Equipment	0.79		0.27	
Acquisition of investment in shares	(0.63)		(4.00)	
Redemption of investment in shares	5.77		9.47	
Purchase of investment of Mutual Fund units	(1,025.00)		(980.00)	
Sale of investment of Mutual Fund units	1,725.00		1,000.00	
Interest Received	0.60		0.61	
Rent Received	0.04		0.04	
Dividend Received	37.56		82.45	
Net Cash used in investing activities		(28.04)		(307.22)
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Short term Borrowing (net)	(170.23)		67.72	
Dividends Paid (including tax)	(245.23)		(242.19)	
Interest Paid	(5.79)		(3.66)	
Net Cash used in financing activities		(421.25)		(178.13)
Net Increase in cash and cash equivalents		**67.32**		**(55.44)**
Cash and cash equivalents - Opening Balance#		11.19		66.63
Cash and cash equivalents - Closing Balance#		**78.51**		**11.19**

as disclosed in Notes 11

The aforesaid Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7- Statement of Cash Flow

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Statement of Changes in Equity

for the year ended March 31, 2018

A) EQUITY SHARE CAPITAL

(Rs. in Crores)

	Number	Amount
Equity Shares of Re. 1 each issued, subscribed and fully paid		
On April 1,2016	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance at March 31,2017	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance at March 31,2018	**85,00,00,000**	**85.00**

B) OTHER EQUITY

(Rs. in Crores)

Particulars	Reserves and Surplus			OCI		Total
	Securities Premium Account	Contingency Reserve	Retained earnings	Re-measurement of Defined benefit plan	Investments in equity shares / units at fair value	
Balance at April 1, 2016	**737.88**	**25.00**	**3,659.93**	**(5.04)**	**8.66**	**4,426.43**
Profit for the year	-	-	693.64		-	693.64
Re-Measurement gains/(losses) on defined benefit plans, net of tax	-	-	-	(2.05)	-	(2.05)
Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value, net of tax	-	-	-	-	3.95	3.95
	737.88	**25.00**	**4,353.57**	**(7.09)**	**12.61**	**5,121.97**
Adjustments						
Final Dividend for the year 2015-16 (Re. 0.80 per share)	-	-	(68.00)	-	-	(68.00)
Tax on Final Dividend for the year 2015-16	-	-	(11.69)	-	-	(11.69)
Payment of Interim dividend for the year 2016-17 (Rs. 1.60 per share)	-	-	(136.00)	-	-	(136.00)
Tax on interim dividend for the year 2016-17	-	-	(27.69)	-	-	(27.69)
Balance at March 31, 2017	**737.88**	**25.00**	**4,110.19**	**(7.09)**	**12.61**	**4,878.59**
Profit for the year	-	-	668.35		-	668.35
Re-Measurement gains/(losses) on defined benefit plans, net of tax	-	-	-	1.03	-	1.03
Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value, net of tax	-	-	-	-	1.87	1.87
	737.88	**25.00**	**4,778.54**	**(6.06)**	**14.48**	**5,549.84**
Adjustments						
Final Dividend for the year 2016-17 (Re. 0.80 per share)	-	-	(68.00)	-	-	(68.00)
Tax on Final Dividend for the year 2016-17	-	-	(13.84)	-	-	(13.84)
Payment of Interim dividend for the year 2017-18 (Rs. 1.60 per share)	-	-	(136.00)	-	-	(136.00)
Tax on interim dividend for the year 2017-18	-	-	(27.69)	-	-	(27.69)
Balance at March 31, 2018	**737.88**	**25.00**	**4,533.01**	**(6.06)**	**14.48**	**5,304.31**

Significant accounting policies 1
The accompanying notes are an integral part of the financial statements.
As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Notes to Financial Statements

for the year ended March 31, 2018

CORPORATE INFORMATION

Exide Industries Limited (the company), having CIN No.: L31402WB1947PLC014919, is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Exide House, 59E Chowringhee Road, Kolkata, 700020. The Company is primarily engaged in the manufacturing of Storage Batteries and allied products in India.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on May 7, 2018.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

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

- Certain financial assets and liabilities, which are measured at fair value
- Net defined employee benefit asset/ (liability), which are measured at Fair Value of plan assets less present value of defined benefit obligations

1. SIGNIFICANT ACCOUNTING POLICIES

a. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.

Expenditure directly attributable to expansion projects is capitalised. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not related to the project nor are incidental thereto, are expensed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Gain or loss arising on disposal of an asset is treated as income or expense.

Refer Note 2 to the Financial Statements.

b. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of Profit and Loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particular	Useful economic life
Land under finance lease	Lease period
Buildings	28.5/58.5 years
Plant and machinery (including electrical installation)	10/15 years
Moulds	8.5 years
Furniture and fittings	10 years
Office equipment	5 years
Vehicles	6 years
Computers	3 to 6 years

Based on technical assessment done by experts and management's estimate,

(i) the useful life of factory buildings, other buildings, moulds and vehicles are lower than those indicated in Schedule II to the Companies Act, 2013,

(ii) residual value of plant & machinery, moulds and computers has been considered to be 2% of the cost as against 5% specified in Schedule II of the Companies Act, 2013. For buildings, office equipment, furniture & fittings and vehicles, residual value has been estimated at 5% of the cost.

Notes to Financial Statements

for the year ended March 31, 2018

The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Refer Note 33 to the Financial Statements.

c. Intangible assets and Amortisation

Acquired intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and accumulated impairment loss, if any.

Intangible assets are amortised over their respective useful economic lives and assessed for impairment whenever there is an impairment indicator, except goodwill which is tested for impairment annually whether or not impairment conditions exist. The amortisation expense and the gain or loss on disposal, is recognised in the Statement of Profit and Loss. Intangible assets with infinite useful lives are tested for impairment annually.

The amortisation policies applied to the Company's intangible assets are as follows:

Intangible assets	Useful lives	Amortisation method used
Computer Software / Trademark	Finite (5 years)	Amortised on a straight-line basis over the life

Research costs are expensed as incurred.

Refer Note 3 and 33 to the Financial Statements.

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

e. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials, Components, Stores and Spares: These are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the respective finished products will exceed their net realisable value.

(ii) Finished goods and work-in-progress: These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

(iii) Traded goods: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to completion and the estimated costs necessary to sell them.

Refer Note 8 to the Financial Statements.

f. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Refer Note 11 to the Financial Statements.

g. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money

Notes to Financial Statements

for the year ended March 31, 2018

is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Refer Notes 20 and 26 to the Financial Statements.

h. Retirement and other employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Post-retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates

(a) Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund and

(b) Post-retirement medical benefit plan which is unfunded.

Gratuity and Post-Retirement Medical Benefit liability are provided for on the basis of actuarial valuation, using the projected unit credit method, made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

(ii) Net interest expense or income

Long term compensated absences are provided for based on an actuarial valuation done at the end of each financial year.

Pension liability is split into a defined benefit portion and a defined contribution portion. The part of the liability towards pension plan upto March 31, 2003 for employees as on that date is in the nature of defined benefit plan. From April 1, 2003, the pension remains as a defined contribution liability. The Defined benefit portion is provided for on the basis of an actuarial valuation done at the end of each financial year. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the employee renders the service.

The current and non-current bifurcation is done as per Actuarial report.

(iii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual Independent actuarial valuation using the projected unit credit method. Pre-measurements gains or losses are recognised in profit or loss in the period in which they arise.

Refer Notes 20, 26, 31 and 37 to the Financial Statements.

Notes to Financial Statements

for the year ended March 31, 2018

i. Foreign Currency

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction.

Foreign currency monetary items are reported using the closing rate. Foreign currency non-monetary items measured at historical cost are translated using the exchange rates at the dates of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

j. Revenue Recognition

Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Refer Note 27 to the Financial Statements.

Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Refer Note 28 to the Financial Statements.

Deferred revenue

The Company has a customer loyalty programme for selected customers. The Company grants credit points to those customers as part of a sales transaction which allows them to accumulate and redeem those credit points. Consideration received from these customers have been allocated between the goods sold and the credit points granted. The consideration allocated to the credit points have been deferred and will be recognised as revenue when the reward points are redeemed or lapsed.

k. Income Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax Liabilities and assets, and they relate to income taxes levied by the same tax authority on the same, taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a Net basis or their tax assets and liabilities will be realised simultaneously.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

Refer Notes 7 and 21 to the Financial Statements.

Notes to Financial Statements

for the year ended March 31, 2018

l. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the Statement of Profit and Loss on a straight line basis.

Refer Notes 2 and 34 to the Financial Statements.

m. Earnings per share

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

Refer Note 35 to the Financial Statements.

n. Segment reporting

The Company has identified two operating segments viz, Automotive and Industrial. As per Ind AS - 108: Operating Segments, due to similar nature of products, production process, customer types, etc., the two operating segments have been aggregated as single operating segment of "storage batteries and allied products" during the year. The analysis of geographical segments is based on the areas in which customers of the Company are located.

Refer Note 41 to the Financial Statements.

o. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Refer Note 38 to the Financial Statements.

p. Financial instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost; Fair value through other comprehensive income (FVOCI) – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the conditions and is not designated as at FVTPL: (i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The subsequent measurement of gains and losses of various categories of financial instruments are as follows:

(i) Financial assets at amortised cost: these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Notes to Financial Statements

for the year ended March 31, 2018

(ii) Equity investments at FVOCI: these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

(iii) Financial assets at FVTPL: these assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and Losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities: The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

q. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of

Notes to Financial Statements

for the year ended March 31, 2018

a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

r. Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

s. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

1.1 Standards Issued but not yet Effective

Amendments to Ind AS 21 - On March 28, 2018, Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standard) Amendment Rules, 2018.

The rules notified Appendix B of Ind AS 21 – which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115 – Revenue from Contracts with customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its financial statements. The Company has done a preliminary assessment and do not expect a significant impact due to the adoption of the standard.

The Company plans to apply Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. April 1, 2018) in retained earnings. As a result, the Company will not present relevant individual line items appearing under comparative period presentation.

2. PROPERTY, PLANT AND EQUIPMENT

(Rs. in Crores)

	Freehold land	Land under Finance lease	Buildings (including roads)	Plant and equipment (including electrical installation)	Moulds	Office Equipment	Furniture & fixtures	Vehicles	Computers	Total
Cost										
As at April 1, 2016	26.50	32.04	269.71	913.67	127.64	7.47	1.57	2.24	11.13	1,391.97
Additions	3.23	-	70.33	340.00	52.50	3.34	1.15	0.18	7.63	478.36
Disposals / deductions			0.28	1.47	0.49	0.01	0.02	0.01	0.14	2.42
As at March 31, 2017	**29.73**	**32.04**	**339.76**	**1,252.20**	**179.65**	**10.80**	**2.70**	**2.41**	**18.62**	**1,867.91**
Additions	3.85	41.43	73.52	466.35	55.00	2.91	2.32	-	5.54	650.92
Disposals / deductions	0.02	-	1.70	4.45	1.17	0.12	0.01	0.02	0.77	8.26
As at March 31, 2018	**33.56**	**73.47**	**411.58**	**1,714.10**	**233.48**	**13.59**	**5.01**	**2.39**	**23.39**	**2,510.57**
Accumulated Depreciation										
As at April 1, 2016	-	0.57	9.61	117.64	16.43	1.75	0.12	0.38	3.03	149.53
Depreciation for the year		0.86	11.59	155.47	21.72	1.78	0.22	0.41	3.46	195.51
Disposals / deductions			0.15	1.02	0.38	-	-	-	0.08	1.63
As at March 31, 2017	**-**	**1.43**	**21.05**	**272.09**	**37.77**	**3.53**	**0.34**	**0.79**	**6.41**	**343.41**
Depreciation for the year		0.60	14.78	188.55	25.54	2.38	0.37	0.42	4.81	237.45
Disposals / deductions		-	0.30	3.27	0.87	0.10	-	0.01	0.71	5.26
As at March 31, 2018	**-**	**2.03**	**35.53**	**457.37**	**62.44**	**5.81**	**0.71**	**1.20**	**10.51**	**575.60**
Net Block										
As at March 31, 2017	**29.73**	**30.61**	**318.71**	**980.11**	**141.88**	**7.27**	**2.36**	**1.62**	**12.21**	**1,524.50**
As at March 31, 2018	**33.56**	**71.44**	**376.05**	**1,256.73**	**171.04**	**7.78**	**4.30**	**1.19**	**12.88**	**1,934.97**

a. Conveyance / Lease deeds for certain immovable properties valued at Rs. 46.49 crs (PY: Rs. 7.21 crs) are pending execution.

b. Buildings includes Rs. 0.10 crs (PY: Rs. 0.10 crs) being the cost of shares in respective Co-operative Housing Societies.

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for the year ended March 31, 2018

3. GOODWILL AND OTHER INTANGIBLE ASSETS

(Rs. in Crores)

Particulars	Goodwill	Trade Mark	Computer Software	Total
Cost				
As at April 1, 2016	3.89	3.12	21.57	28.58
Additions	-	-	9.34	9.34
As at March 31, 2017	**3.89**	**3.12**	**30.91**	**37.92**
Additions			10.35	10.35
Disposals / deductions	-	-	-	-
As at March 31, 2018	**3.89**	**3.12**	**41.26**	**48.27**
Accumulated Amortisation & Impairment loss				
As at April 1, 2016	-	0.84	4.77	5.61
Amortisation/Impairment for the year	3.89	0.84	6.08	10.81
As at March 31, 2017	**3.89**	**1.68**	**10.85**	**16.42**
Amortisation for the year	-	0.69	7.80	8.49
As at March 31, 2018	**3.89**	**2.37**	**18.65**	**24.91**
Net Block				
As at March 31, 2017	-	1.44	20.06	21.50
As at March 31, 2018	**-**	**0.75**	**22.61**	**23.36**

3.1 Allocation of Goodwill to cash-generating units

The carrying value of goodwill pertained to Home UPS business which was acquired by the Company in 2011-12. During the previous year the company impaired the goodwill aggregating to Rs. 3.89 crs pertaining to the Home UPS business.

4. INVESTMENTS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Investments at cost (Unquoted)		
Equity Shares, Fully Paid Up		
In Subsidiary Companies		
Chloride International Limited of Rs. 10 each [4,50,000 shares (PY: 4,50,000 Shares)]	0.20	0.20
Chloride Power Systems and Solutions Limited of Rs. 10 each [19,80,000 shares (PY:19,80,000 Shares)]	2.93	2.93
Chloride Metals Limited of Rs. 10 each (4,23,80,952 shares [PY: 4,23,80,952 shares)]	109.03	109.03
Chloride Batteries S.E.Asia Pte Limited of Singapore $ 1 each [70,00,000 shares (PY: 70,00,000 shares)]	10.35	10.35
Espex Batteries Limited of GBP 1 each [1,02,000 shares (PY: 1,02,000 shares)]	0.78	0.78
Associated Battery Manufacturers (Ceylon) Ltd of Sri Lankan Rupees 10 each [38,96,640 shares (PY: 38,96,640 shares)]	7.31	7.31
Exide Life Insurance Company Limited of Rs. 10 each [1,75,00,00,000 shares (PY: 1,75,00,00,000 shares)]	1,579.60	1,579.60

Notes to Financial Statements

for the year ended March 31, 2018

4. INVESTMENTS (CONTD.)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
Investments at Amortised Cost			
	Government Securities (lodged as security deposits with various authorities)	0.01	0.01
Investments at fair value through OCI			
Debentures (Fully Paid Up)			
	Woodlands Multispecialty Hospital Limited		
	1/2% Debentures of Rs. 100 each [20 debentures (PY: 20 debentures)]	- ^	-
	5% Non-redeemable Registered Debentures of Rs. 6,000 each (1 debenture (PY: 1 debenture)	- ^	-
Units (Unquoted)			
	Faering Capital India Evolving Fund of Rs. 1,000 each [2,27,458 units (PY: 2,45,741 units)]	33.43	34.19
Equity shares (Unquoted)			
	Haldia Integrated Development Agency Ltd of Rs. 10 each (5,00,000 shares [PY: 5,00,000 shares)]	2.95	3.35
	Suryadev Alloys of Rs. 10 each [2,500 shares (PY: 2,500 shares)]	0.03	0.03
Equity shares (Quoted)			
	Hathway Cable and Datacom Limited of Rs. 2 each [54,62,830 shares (PY: 54,62,830 shares)]	18.49	20.68
		1,765.11	**1,768.46**
(i)	Aggregate book value of unquoted investments	1,746.62	1,747.78
(ii)	Aggregate book value and market value of quoted investments	18.49	20.68
(iii)	Refer Note 42 for information about fair value measurement and Note 43 for credit risk and market risk of investment.		
(iv)	^ Figures being less than Rs. 50,000 in each case, has not been disclosed.		

5. NON-CURRENT TRADE RECEIVABLES (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, Considered good		
Trade Receivables	1.18	1.81
	1.18	**1.81**

6. NON-CURRENT LOANS AND DEPOSITS (AT AMORTISED COST)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
Unsecured , considered good			
a)	Loans to employees	0.01	0.03
b)	Loans and advances to others	0.01	0.01
c)	Security Deposits	12.60	12.99
		12.62	**13.03**

Notes to Financial Statements

for the year ended March 31, 2018

7. OTHER NON-CURRENT ASSETS

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
(i)	**Unsecured, considered good**		
a)	Capital advances	52.86	50.75
b)	Prepaid expenses	27.63	3.44
c)	Balances and deposit with Government Authorities	22.02	26.04
(ii)	**Unsecured, considered doubtful**		
a)	Advances recoverable in cash or kind	1.99	1.89
b)	Balances and deposit with Government Authorities	14.66	5.04
		119.16	**87.16**
	Less: Provision for doubtful deposits and advances	16.65	6.93
		102.51	**80.23**

8. INVENTORIES

(Rs. in Crores)

	Particulars	March 31, 2018		March 31, 2017	
(At Lower of cost and net realisable value)					
a)	Stores, spare parts, loose tools etc		33.22		28.28
b)	Raw materials and components [Including in transit/ lying in bonded warehouse Rs. 88.17 crs (PY: Rs. 73.48 crs)]		454.82		371.51
c)	Work-in-progress		466.60		455.01
d)	Finished goods	792.96		555.20	
	Add: Excise Duty	-	792.96	109.87	665.07
e)	Stock-in-trade		12.55		7.50
			1,760.15		**1,527.37**

I. The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss and Note 34.

II. The cost of inventories recognised as an expense includes Rs. 3.27 Crore (PY: Rs. 1.45 Crore) in respect of write downs of inventory.

9. INVESTMENTS

(Rs. in Crores)

Particulars	No. of units	March 31, 2018	No. of units	March 31, 2017
Investments at fair value through Profit & Loss				
Units of Mutual Fund (Unquoted)				
Kotak Treasury Advantage Fund - Regular Plan Daily Dividend Reinvestment of Rs. 10 each	99,24,710	10.00	5,96,51,415	60.13
Franklin India Ultra Short Bond Fund Super Institutional Plan -Daily Dividend Reinvestment of Rs. 10 each	99,22,801	10.00	4,97,46,872	50.15
DSP Black Rock Ultra Short Term Fund -Regular Plan -Daily Dividend Reinvestment of Rs. 10 each	6,48,59,757	65.40	20,90,12,422	210.76
IDFC Ultra Short Term Fund -Daily Dividend Reinvestment - Regular Plan of Rs. 10 each	1,00,17,248	10.09	6,97,63,720	70.26

Notes to Financial Statements

for the year ended March 31, 2018

9. INVESTMENTS (CONTD.)

(Rs. in Crores)

Particulars	No. of units	March 31, 2018	No. of units	March 31, 2017
Birla Sunlife Savings Fund -Daily Dividend Reinvestment of Rs. 100 each	9,97,888	10.01	59,96,875	60.23
HDFC Floating Rate Income Fund -Short Term Plan Wholesale Option -Daily Dividend Reinvestment of Rs. 10 each	4,99,50,727	50.35	7,96,79,041	80.32
SBI SHF Ultra Short Term Fund -Regular Plan -Daily Dividend Reinvestment of Rs. 1,000 each	-	-	2,49,446	25.10
TATA Floater Fund Regular Plan Daily Dividend Reinvestment of Rs. 1,000 each	-	-	4,49,877	45.15
India Bulls Ultra Short Term Fund - Existing Plan Daily Dividend Reinvestment of Rs. 1,000 each	-	-	3,00,204	30.13
Baroda Pioneer Treasury Advantage Fund Plan A - Daily Dividend Reinvestment of Rs. 1,000 each	-	-	48,881	5.03
Sundaram Ultra Short Term Fund -Regular Plan- Daily Dividend Reinvestment of Rs. 10 each	-	-	99,89,190	10.03
L&T Ultra Short Term Fund - Daily Dividend Reinvestment Plan units of Rs. 10 each	-	-	3,91,45,895	40.15
ICICI Prudential Flexible Income Fund - Daily Dividend Reinvestment of Rs. 100 each	4,77,491	5.05	75,93,937	80.29
UTI Treasury Advantage Fund -Institutional Plan- Daily Dividend Reinvestment of Rs. 1,000 each	50,149	5.03	3,99,857	40.13
Reliance Medium Term Fund - Daily Dividend Reinvestment units of Rs. 10 each	29,43,543	5.04	1,46,76,218	25.09
JM Money Manager Fund -Super Plus Plan - Daily Dividend Reinvestment of Rs. 10 each	-	-	1,49,04,550	15.06
Escorts Liquid Plan - Daily Dividend Reinvestment of Rs. 10 each	36,72,346	5.02	36,69,104	5.02
LIC Nomura MF Savings Plus Fund -Short Term Plan - Daily Dividend Reinvestment of Rs. 10 each	49,48,352	5.03	-	-
LIC MF Income Plus Fund - Daily Dividend Reinvestment of Rs. 10 each	-	-	49,68,162	5.02
Axis Treasury Advantage Fund - Daily Dividend Reinvestment of Rs. 1,000 each	-	-	2,98,947	30.08
Mahindra Low Duration Bachat Yojana - Regular - Daily Dividend Reinvestment of Rs. 1,000 each	50,015	5.02	-	-
DSP Black Rock India Enhanced Equity Fund-Class B-3, of Rs. 100 each	5,00,000	7.82	5,00,000	7.32
		193.86		**895.45**
Units of Mutual Fund (Quoted)				
HDFC Cancer Cure Fund-Debt Plan of Rs. 10 each	1,00,00,000	10.03	1,00,00,000	10.03
		10.03		**10.03**
		203.89		**905.48**
Aggregate amount of quoted investment and market value thereof		10.03		10.03
Aggregate amount of unquoted investment		193.86		895.45

(i) Refer Note 42 for information about fair value measurement and Note 43 for credit risk and market risk of investment.

Notes to Financial Statements

for the year ended March 31, 2018

10. TRADE RECEIVABLES (UNSECURED) (AT AMORTISED COST)

(Rs. in Crores)

	March 31, 2018	March 31, 2017
Considered good	943.39	621.65
Considered doubtful	9.70	8.00
	953.09	**629.65**
Less: Allowances for doubtful receivables	9.70	8.00
	943.39	**621.65**

Refer Note no 40 for Related Party disclosure for trade receivables from related parties.

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in Note 43.

11. CASH AND CASH EQUIVALENTS

(Rs. in Crores)

		March 31, 2018	March 31, 2017
a)	Balances with banks on		
	Current Account	78.19	10.82
b)	Cash in hand	0.32	0.37
		78.51	**11.19**

12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Rs. in Crores)

	March 31, 2018	March 31, 2017
Unclaimed Dividend Account	8.68	8.38
	8.68	**8.38**

13. LOANS AND DEPOSITS (AT AMORTISED COST)

(Rs. in Crores)

		March 31, 2018	March 31, 2017
Unsecured, considered good			
a)	Loans to employees	0.04	0.07
b)	Security Deposits - Others	14.54	10.39
		14.58	**10.46**

14. OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(Rs. in Crores)

		March 31, 2018	March 31, 2017
Unsecured, considered good			
a)	Other Receivables (rebates and discounts, etc.)	23.36	17.15
b)	Claims Receivable	1.44	7.39
		24.80	**24.54**

Notes to Financial Statements

for the year ended March 31, 2018

15. OTHER CURRENT ASSETS

(Rs. in Crores)

		March 31, 2018	March 31, 2017
a)	Other recoverables and advances*	13.63	14.03
b)	Balances and deposit with Government Authorities	186.54	22.73
c)	Prepaid expenses	17.80	4.55
		217.97	**41.31**

* includes export incentive receivables

16. SHARE CAPITAL

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	**Authorised**		
	1,00,00,00,000 (PY: 1,00,00,00,000) Equity Shares of Re. 1 each	100.00	100.00
		100.00	100.00
b)	**Issued, subscribed & fully paid-up**		
	85,00,00,000 (PY: 85,00,00,000) Equity Shares of Re. 1 each	85.00	85.00
		85.00	85.00
c)	**Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year**	Number of Shares	
	Opening balance at the beginning and at the end of the year	85,00,00,000	85,00,00,000
d)	**Terms / rights attached to equity shares**		
	The company has only one class of Equity Shares having a Par Value of Re. 1 per share. Each Holder of Equity Shares is entitled to one Vote per share. The company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
	In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
e)	**Shares held by holding company**		
	Name of Shareholder	Number of Shares	
	Chloride Eastern Limited, UK (considered to be Holding company by virtue of de-facto control) 45.99% (PY: 45.99%)	39,09,54,666	39,09,54,666
f)	**Details of shareholders holding more than 5% shares in Company**		
	Name of Shareholder	Number of Shares	
	Chloride Eastern Limited, UK holding 45.99 % (PY: 45.99 %)	39,09,54,666	39,09,54,666
	As per records of the company, including its register of shareholders / members and other declaration received from shareholders, the above shareholding represents legal ownership of shares.		

Notes to Financial Statements

for the year ended March 31, 2018

17. OTHER EQUITY

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	**Securities Premium Account**	737.88	737.88
	Premium received on equity shares issued are recognised in the securities premium account		
b)	**Contingency Reserve**	25.00	25.00
	The Contingency reserve is created to set aside funds for meeting contingencies and claims		
c)	**Retained earnings**	4,533.01	4,110.19
	Retained earnings includes General Reserve, Surplus in Statement of Profit and Loss, Impact of Ind-AS adjustments on date of transition and Revaluation reserve.		
d)	**Items of Other Comprehensive Income**		
	- Remeasurements of defined benefit plans	(6.06)	(7.09)
	Remeasurement gains/losses recorded in other comprehensive income		
	- Fair value of Equity instruments through OCI	14.48	12.61
	Changes in fair value of equity instruments recorded in other comprehensive income		
		5,304.31	**4,878.59**

18. NON-CURRENT TRADE PAYABLES (AT AMORTISED COST)

(Rs. in Crores)

	March 31, 2018	March 31, 2017
Trade payables*	4.36	3.73
	4.36	**3.73**

* represents total dues of payables other than Micro and Small Enterprises. Also refer note 39.

19. OTHER NON-CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

(Rs. in Crores)

	March 31, 2018	March 31, 2017
Payables for Capital Goods	2.62	2.07
	2.62	**2.07**

20. NON CURRENT PROVISIONS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Provision for employee benefits (refer note 37)		
Post retirement medical benefits	4.45	4.88
Gratuity	8.78	8.68
Pension	3.51	3.18
Leave benefits	28.46	24.67
Others		
Provision for site restoration liabilities	1.25	1.13
	46.45	**42.54**

Notes to Financial Statements

for the year ended March 31, 2018

20. NON CURRENT PROVISIONS (CONTD.)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Provision for site restoration liabilities		
A provision is recognised for site restoration liabilities on leasehold lands taken by the Company:		
Opening Balance	1.13	1.03
Add: Interest accrued on the provision during the year	0.12	0.10
Closing Balance	**1.25**	**1.13**

21. DEFERRED TAX LIABILITY (NET)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Deferred tax liabilities	183.57	190.91
Less: Deferred tax assets	43.07	35.73
	140.50	**155.18**

Movement in deferred tax (liabilities) / assets balances:

(Rs. in Crores)

2017-18	April 01, 2017	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2018
Deferred tax liabilities:				
Arising out of temporary difference in depreciable assets	(144.41)	(32.08)	-	(176.49)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(45.93)	39.34	-	(6.59)
Unrealised gain on investment in equity shares	(0.57)	-	0.08	(0.49)
Deferred tax assets:				
On expenses allowable against taxable income in future years	22.93	19.63	(0.55)	42.01
Expenses disallowed in earlier assessments which are being contested	12.80	(11.74)	-	1.06
	(155.18)	**15.15**	**(0.47)**	**(140.50)**

Notes to Financial Statements

for the year ended March 31, 2018

Movement in deferred tax (liabilities) / assets balances: (Contd.)

(Rs. in Crores)

2016-17	April 01, 2016	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2017
Deferred tax liabilities:				
Arising out of temporary difference in depreciable assets	(123.98)	(20.43)	-	(144.41)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(34.75)	(11.18)	-	(45.93)
Unrealised gain on investment in equity shares	(0.57)	-	-	(0.57)
Deferred tax assets:				
On expenses allowable against taxable income in future years	20.75	1.10	1.08	22.93
Expenses disallowed in earlier assessments which are being contested	10.52	2.28	-	12.80
	(128.03)	**(28.24)**	**1.08**	**(155.18)**

	March 31, 2018	March 31, 2017
Reconciliation of statutory rate of tax and effective rate of tax:		
Tax rate as a % of PBT	33.57	28.91
Adjustments:		
Non-deductible expenses for tax purposes	(0.55)	(0.73)
Dividend Income - exempt for tax purposes	1.16	2.75
Various allowances claimed under Income Tax Act, 1961	0.44	2.82
Others including Tax impact of earlier years	(0.01)	0.86
At India's statutory income tax rate of 34.61% (PY: 34.61%)	34.61	34.61

22. BORROWINGS (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Buyers' Credit from banks (The buyers' credit is repayable in 6 months and carries interest in the range of 1.5% to 2.1%)		
Secured	-	84.77
(The buyers' credit is secured by hypothecation of Stocks and book debts, both present and future)		
Unsecured	-	85.46
	-	**170.23**

Notes to Financial Statements

for the year ended March 31, 2018

23. TRADE PAYABLES (AT AMORTISED COST)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Trade payable for goods & services		
	Total outstanding dues of Micro and small Enterprises (refer note no. 39)	4.08	10.04
	Total outstanding dues of creditors other than Micro and small Enterprises	934.19	653.78
b)	Acceptances	140.44	104.03
		1,078.71	**767.85**

Refer note 43 for information about liquidity risk and market risk related to trade payables.
Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms.
For terms and conditions with related parties, refer to Note 40.

24. OTHER CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Interest accrued but not due on borrowings	-	0.55
b)	Unclaimed dividends (to be credited to Investor Education and Protection Fund as and when due)	8.68	8.38
c)	Derivatives liability	-	0.70
d)	Other payables -		
	For Selling and distribution costs	177.09	122.00
	For Capital Goods	81.40	98.59
	For Other Expenses *	68.39	85.99
		335.56	**316.21**

* other liabilities includes employee related payments

i. There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2018.

ii. Other payables for selling and distribution costs represents outstanding liabilities for incentives and trade schemes, etc.

25. OTHER CURRENT LIABILITIES

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Taxes and duties payable	87.60	53.97
b)	Advances from customers	16.59	23.13
c)	Other payables - For deferred revenue *	62.32	54.97
		166.51	**132.07**

*Other payables for deferred revenue relates to loyalty credit points granted to the customers as part of sales transactions and has been estimated with reference to the fair value of the products for which they could be redeemed.

Notes to Financial Statements

for the year ended March 31, 2018

26. CURRENT PROVISIONS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a) Provision for employee benefits (refer note 37)		
Post retirement medical benefits	0.41	0.45
Leave benefits	3.08	3.66
b) Others		
Provision for Warranty Claims	175.18	178.13
Provision for litigations and tax disputes	54.19	39.89
	232.86	**222.13**
Provisions for warranties		
A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. The table below gives information about movement in warranty provision:		
Opening Balance	178.13	163.39
Add: Provision created during the year	189.64	205.63
Less: Utilised against warranty claims during the year	192.59	190.89
Closing Balance	**175.18**	**178.13**
Provisions for litigations and tax disputes (refer notes below)		
The management has estimated the provisions for pending litigation, claims and demands relating to indirect taxes based on its assessment of probability for these demands crystallising against the company in due course:		
Opening Balance	39.89	31.98
Add: Provision created during the year	14.30	7.91
Closing Balance	**54.19**	**39.89**

27. REVENUE FROM OPERATIONS

(Rs. in Crores)

Particulars	2017-18	2016-17
Sale of products (including excise duty)	9,441.12	8,538.32
Other operating income		
Export incentive	8.19	7.32
Scrap sales	5.34	3.44
Income from Service / Installation	5.15	4.66
	9,459.80	**8,553.74**

(i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax, GST, etc.

(ii) Sale of goods includes excise duty collected from customers of Rs. 273.48 crs (PY: Rs. 970.27 crs).

(iii) Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations are disclosed net of GST. Accordingly, the revenue from operations for year ended March 31, 2018 are not comparable with the previous years figure.

Notes to Financial Statements

for the year ended March 31, 2018

28. OTHER INCOME

(Rs. in Crores)

Particulars	2017-18	2016-17
Interest Income on:		
Income Tax refunds	-	9.92
Financial assets carried at amortised cost	0.60	0.61
Dividend Income on		
Long Term Investments in subsidiaries	11.22	21.64
Current investments in mutual funds designated at FVTPL	23.99	57.67
Other non-operating income		
Gain on fair value of investments in mutual funds units designated at FVTPL	0.50	0.75
Net foreign exchange Gain	16.52	8.93
Others	5.58	4.36
	58.41	**103.88**

29. COST OF MATERIALS CONSUMED

(Rs. in Crores)

Particulars	2017-18	2016-17
Opening Stock	371.51	277.36
Add: Purchases	6,213.43	5,087.75
	6,584.94	**5,365.11**
Less: Closing Stock	454.82	371.51
	6,130.12	**4,993.60**

Cost of material consumed includes net proceeds from scrap battery.

30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Rs. in Crores)

Particulars	2017-18	2016-17
Opening Stock		
Work-in-progress	455.01	386.11
Finished goods	555.20	363.95
Stock-in-trade	7.50	2.57
	1,017.71	**752.63**
Closing Stock		
Work-in-progress	466.60	455.01
Finished goods	792.96	555.20
Stock-in-trade	12.55	7.50
	1,272.11	**1,017.71**
Increase / (Decrease) in Excise Duty on Finished Goods	(109.87)	29.17
	(144.53)	**(294.25)**

Notes to Financial Statements

for the year ended March 31, 2018

31. EMPLOYEE BENEFIT EXPENSES

(Rs. in Crores)

Particulars	2017-18	2016-17
Salaries, wages and bonus	499.09	430.42
Contribution to provident and other funds (Refer Note 37)	33.49	29.33
Staff welfare expenses	64.59	59.82
	597.17	**519.57**

32. FINANCE COSTS

(Rs. in Crores)

Particulars	2017-18	2016-17
Interest expenses	5.24	3.99
Exchange difference to the extent considered as an adjustment to borrowing cost	-	0.32
	5.24	**4.31**

33. DEPRECIATION AND AMORTISATION

(Rs. in Crores)

Particulars	2017-18	2016-17
Depreciation of Property, Plant and Equipment	237.45	195.51
Amortisation and impairment loss of intangible assets	8.49	10.81
	245.94	**206.32**

34. OTHER EXPENSES

(Rs. in Crores)

Particulars	2017-18	2016-17
Stores and spare parts consumed	76.35	68.50
Power and fuel	286.72	254.95
Battery Charging / Battery assembly expenses	107.63	123.77
Repairs and maintenance		
Buildings	9.11	9.47
Plant & machinery	29.27	27.84
Others	12.74	11.74
Rent & Hire Charges	35.44	27.58
Rates and taxes	3.25	2.85
Insurance	6.40	7.48
Commission	4.13	3.64
Royalty and Technical Aid Fees	43.43	34.61
Warranty expenses	189.64	205.63
Publicity and Sales Promotion	63.38	72.61
Freight & Forwarding (net)	247.07	209.17
After Sales Services	56.87	57.43
C & F Expenses	30.57	27.31
Travelling & Conveyance	39.30	37.95

Notes to Financial Statements

for the year ended March 31, 2018

34. OTHER EXPENSES (CONTD.)

(Rs. in Crores)

Particulars	2017-18	2016-17
Bank Charges	1.32	0.96
Communication Costs	5.41	5.65
Donations	0.03	0.01
Directors' Sitting Fees	0.18	0.17
Loss on Property, plant and equipment sold/discarded (net)	2.21	0.55
Auditors' Remuneration:		
As Auditors *		
- For Statutory audit	0.49	0.49
- For Limited Reviews	0.30	0.29
- For Others	0.05	0.05
As Tax Auditors	0.07	0.07
Other Services	0.02	0.31
Out of pocket expenses	0.05	0.04
Miscellaneous expenses (refer Note 34.1)	86.53	75.24
	1,337.96	**1,266.36**

* includes Rs 0.14 crs paid to the erstwhile auditors.

i) The Company has a full-fledged Research and Development Centre. During the year, a sum of Rs. 28.08 crs. (PY Rs. 22.67 crs), including capital expenditure Rs. 6.27 crs. (PY Rs. 4.23 crs), was spent on Research and Development work.

ii) Rent and Hire charges include Rs. 32.47 crs (PY Rs. 25.53 crs) towards lease of residential apartments, Office premises and Godowns. These are cancellable leases, renewable by mutual agreement. The lease term is for various number of years and renewable for further periods as per the lease agreements at the option of the company. In lease agreements, escalation clauses are present; however there are no restrictions imposed by the lease arrangements. There are no sub-leases.

34.1. Miscellaneous Expenses

(Rs. in Crores)

Particulars	2017-18	2016-17
Motor Vehicle Running Expenses	6.09	5.91
Consultancy & Services outsourced	32.19	26.28
Security Service Charges	8.45	8.72
General Expenses	0.93	1.10
Legal Expenses	1.69	1.99
Printing & Stationery	5.70	5.93
Total Quality Management Expenses	0.74	0.38
Corporate Social Responsibility expenses	18.30	13.30
Pollution Control Expenses	4.46	3.11
Testing Charges	0.70	1.56
Liquidated Damages	1.92	4.55
Battery Erection / Installation Costs	5.36	2.41
	86.53	**75.24**

Notes to Financial Statements

for the year ended March 31, 2018

The Company has spent Rs. 18.30 crs (PY Rs. 13.30 crs) towards various schemes of Corporate Social Responsibility as prescribed under Sec 135 of the Companies Act, 2013. The details are :

I. Gross amount required to be spent by the Company during the year Rs. 17.64 crs (PY Rs. 16.06 crs)

II. Amount spent during the year on :

(Rs. in Crores)

Particulars		2017-18	2016-17
i)	Construction/Acquisition of any asset	-	-
ii)	For purposes other than (i) above	18.30	13.30
		18.30	**13.30**

35. EARNINGS PER SHARE (EPS)

(Rs. in Crores)

Particulars	2017-18	2016-17
Details for calculation of basic and diluted earning per share:		
Profit after tax as per Statement of Profit and Loss	668.35	693.64
Weighted average number of equity share (Numbers)	85,00,00,000	85,00,00,000
Basic and diluted earning per share (Rs.)	7.86	8.16

36. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows:

(a) Employee benefit plans

The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 37.

(b) Fair value measurement of investments

The fair value of unquoted investments are determined using valuation methods which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 42.

(c) Deferral of Revenue (customer's incentive scheme)

The Company estimates the fair value of points awarded under the incentive schemes based on past trend of similar incentive schemes and by applying a budgeted incentive payout rate. Inputs include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. As at March 31, 2018, the estimated liability towards unredeemed points amounted to approximately Rs. 62.32 crs (PY: Rs. 54.97 crs)

(d) Warranty, Non discounting to warranty

The Company estimates the provision for warranty based on past trend of actual issues of batteries under warranty. As at March 31, 2018, the estimated liability towards warranty amounted to approximately Rs. 175.18 crs (PY: Rs. 178.13 crs) The provision towards warranty is not discounted as the management, based on past trend, expects to use the provision within twelve months after the Balance Sheet date.

(e) Provision for litigations and tax disputes

The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 26.

Notes to Financial Statements

for the year ended March 31, 2018

37. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company. The Company provides certain post-retirement medical benefits (PRMB) to the employees qualifying for such benefits under the scheme upto March 31, 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.

The Company has a Pension plan, a part of the liability whereof upto March 31, 2003, for employees as on that date is in the nature of a defined benefit plan. From April 1, 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance company.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans:

(Rs. in Crores)

		For the year ended March 31, 2018			For the year ended March 31, 2017		
		Gratuity	Pension	PRMB	Gratuity	Pension	PRMB
		Plan (Benefit)			Plan (Benefit)		
I.	**Expenses recognised in the Statement of Profit & Loss**						
1.	Current / Past Service Cost	5.90	-	0.04	5.34	-	0.07
2.	Interest Cost	5.67	0.30	0.37	5.54	0.38	0.34
3.	Expected Return on plan assets	(5.37)	(0.09)	-	(5.33)	(0.16)	-
4.	Past Service Cost - Plan Amendments	3.69	-	-	-	-	-
5.	Total	9.89	0.21	0.41	5.55	0.22	0.41
	Expenses recognised in OCI						
6.	Actuarial (Gains) / Losses	(0.88)	(0.05)	(0.65)	3.13	(0.49)	0.49
7.	Total Expense	9.01	0.16	(0.24)	8.68	(0.27)	0.90
II.	**Net Asset / (Liability) recognised in the Balance Sheet**						
1.	Present Value of Defined Benefit Obligation	94.11	4.43	4.86	83.61	4.41	5.33
2.	Fair Value of Plan Assets	85.33	0.92	-	74.93	1.23	-
3.	Net Asset / (Liability)	(8.78)	(3.51)	(4.86)	(8.68)	(3.18)	(5.33)
III.	**Change in Obligation during the year**						
1.	Present Value of Defined Benefit Obligation at the beginning of the year	83.61	4.41	5.33	77.59	5.42	4.65
2.	Current Service Cost / Plan amendments	9.59	-	0.04	5.34	-	0.07
3.	Interest Cost	5.67	0.30	0.37	5.54	0.38	0.34
4.	Benefits Paid	(5.24)	(0.26)	(0.23)	(7.32)	(0.86)	(0.22)
5.	Actuarial (Gains) / Losses						
	Arising from changes in experience	0.48	(0.02)	(0.86)	(0.62)	(0.58)	0.28
	Arising from changes in demographic assumptions	-	-	0.21	-	-	-
	Arising from changes in financial assumptions	-	-	-	3.08	0.05	0.21
	Total	0.48	(0.02)	(0.65)	2.46	(0.53)	0.49

Notes to Financial Statements

for the year ended March 31, 2018

(Rs. in Crores)

		For the year ended March 31, 2018			For the year ended March 31, 2017		
		Gratuity	Pension	PRMB	Gratuity	Pension	PRMB
		Plan (Benefit)			Plan (Benefit)		
6.	Present Value of Defined Benefit Obligation at the end of the year	94.11	4.43	4.86	83.61	4.41	5.33
IV.	**Change in the Fair Value of Plan Assets during the year**						
1.	Plan assets at the beginning of the year	74.93	1.23	-	71.85	3.02	-
2.	Expected return on plan assets	5.37	0.09	-	5.33	0.16	-
3.	Contribution by employer	8.91	-	-	5.75	-	-
4.	Transfers	-	(0.17)	-	-	(1.04)	-
5.	Actual Benefits Paid	(5.24)	(0.26)	-	(7.32)	(0.86)	-
6.	Actuarial Gains / (Losses)	1.36	0.03	-	(0.68)	(0.05)	-
7.	Plan assets at the end of the year	85.33	0.92	-	74.93	1.23	-
8.	Actual return on Plan Assets	6.73	0.12	-	4.65	0.11	-
V.	**The major categories of plan assets as a percentage of the fair value of total plan assets**						
	Investments with insurer	100%	100%	-	100%	100%	-
VI.	**Maturity profile of the defined benefit obligation**						
	Weighted average duration of the defined benefit obligation	5 & 8 years	4 years	9 years	3 & 9 years	3 years	3 years
	Expected benefit payments for the year ending						
	Not later than 1 year	8.90	0.87	0.41	10.11	2.23	0.45
	Later than 1 year and not later than 5 years	35.40	2.71	1.71	32.30	1.37	1.93
	More than 5 years	47.32	1.54	2.05	46.59	1.29	2.39

VII. Actuarial Assumptions

1.	Discount Rate	7 % p.a (March 31, 2017: 7% p.a.)
2.	Expected rate of return on plan assets	7 % p.a (March 31, 2017: 7% p.a.)
3.	Mortality pre retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult.
4.	Mortality post retirement	LIC (1996-98) Ultimate
5.	Employee Turnover Rate	2.00%

VIII. In 2018-19 the Company expects to contribute Rs. 9.00 crs (2017-18: Rs. 8.00 crs) to gratuity and Rs. 3.50 crs (2017-18: Rs. 4.00 crs) to Pension funds.

IX. Healthcare cost trend rates have no effect on the amounts recognised in the statement of profit and loss, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change.

X. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

XI. The Company makes contribution to provident fund, superannuation fund and employees' state insurance schemes, which are defined contribution plans. Total contribution to the aforesaid funds during the year aggregated to Rs. 23.29 crs (2016-17 - Rs. 23.38 crs).

Notes to Financial Statements

for the year ended March 31, 2018

(Rs. in Crores)

Particulars	Year ended March 2018	Year ended March 2017
XII. Amounts for the current and previous year are as follows :		
1. Gratuity		
Defined Benefit Obligation	94.11	83.61
Plan Assets	85.33	74.93
Surplus / (deficit)	(8.78)	(8.68)
Experience (Gain) / loss adjustments on plan liabilities	0.48	(0.62)
Experience Gain / (loss) adjustments on plan assets	1.36	(0.68)
2. Pension		
Defined Benefit Obligation	4.43	4.41
Plan Assets	0.92	1.23
Surplus / (deficit)	(3.51)	(3.18)
Experience (Gain) / loss adjustments on plan liabilities	(0.02)	(0.58)
Experience Gain / (loss) adjustments on plan assets	0.03	(0.05)
3. Post Retirement Medical Benefit		
Defined Benefit Obligation	4.86	5.33
Experience Gain / (loss) adjustments on plan liabilities	(0.86)	0.28

XIII. The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

(Rs. in Crores)

	March 31, 2018		March 31, 2017	
Assumptions	Discount rate (a)		Discount rate (a)	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on retiral benefit	(7.03)	8.38	(5.95)	6.85
Assumptions	Future salary increases (b)		Future salary increases (b)	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on retiral benefit	7.57	(6.52)	5.89	(5.45)

(a) Based on interest rates of government bonds

(b) Based on managements estimate

38. COMMITMENTS AND CONTINGENCIES

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
(i) Capital and other commitments		
Commitment for acquisition of fixed assets	506.38	384.10
Commitment for investment	30.64	31.27
	537.02	**415.37**
(ii) Contingent Liabilities		
Guarantees excluding financial guarantees	34.67	33.21
Outstanding Bank Guarantees / Indemnity Bonds		
Claims against the company not acknowledged as debt		
Sales Tax demands	30.96	27.31
Excise Duty demands	38.66*	36.82*
Income Tax demands	9.92	16.54
Other claims being disputed by the Company	-	0.44
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	114.21	**114.32**

* Includes a Demand of Rs. 32.60 crs plus penalties, as applicable, for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries.The Company has contested applicability of The Standards of Weights & Measures Act,1976 and Rules thereunder, the applicability of which is still to be adjudicated by the Hon'ble Supreme Court. Meanwhile, Company has been granted a stay on this Excise Duty demand by CESTAT, Kolkata.

Notes to Financial Statements

for the year ended March 31, 2018

39. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

(Rs. in Crores)

Particulars	2017-18	2016-17
Principal and interest amount remaining unpaid		
- Principal	4.09	10.04
- Interest	0.01	0.01
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.01	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductable expenditure under the MSMED Act, 2006.	0.14	0.13

40. RELATED PARTY DISCLOSURE

i) Particulars of related parties:

A.	**Where control exists**	
1.	Subsidiaries	Chloride Batteries S.E. Asia Pte. Limited, Singapore. (CBSEA)
		Chloride International Limited (CIL)
		Chloride Power Systems and Solutions Limited (CPSSL)
		Espex Batteries Limited, UK (Espex)
		Associated Battery Manufacturers (Ceylon) Ltd , Sri Lanka (ABML)
		Chloride Metals Limited (CML)
		Exide Life Insurance Company Limited (ELI)
2.	Enterprise / Individuals having a direct or indirect control over the Company	Chloride Eastern Limited, UK. (CEL)
		Chloride Eastern Industries Pte Limited, Singapore (CEIL)
		LIEC Holdings SA, Switzerland
		Mr. S B Raheja
B.	**Others**	
1.	Key Management Personnel (As on March 31, 2018)	Mr. G Chatterjee, Whole Time Director
		Mr. A K Mukherjee, Whole Time Director
		Mr. Subir Chakraborty, Whole Time Director
		Mr. Arun Mittal, Whole Time Director
		Mr. Bharat D. Shah, Director
		Mr. R.B.Raheja, Director
		Mr. Nawshir H. Mirza, Director
		Mr. Vijay Agarwal, Director
		Mr. Sudhir Chand, Director
		Ms. Mona N. Desai, Director
		Mr. Surin S. Kapadia, Director (w.e.f. October 25, 2017)
		Mr. Jitendra Kumar, Company Secretary
2.	Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year	Shalini Construction Company Private Limited
		Peninsula Estates Private Limited
		Raheja QBE General Insurance Company Limited
3.	Employees Trusts where there is significant influence:	Chloride Officer's Provident Fund (COPF)

Notes to Financial Statements

for the year ended March 31, 2018

40. RELATED PARTY DISCLOSURE (CONTD.)

ii) Details of transactions entered into with the related parties :

(Rs. in Crores)

		Subsidiaries	Enterprise/ Individuals having direct or indirect control	Companies / firms in which Directors / Key Management Personnel have significant influence	Key Management Personnel	Employees Trust	Total
		Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Purchases of goods	- ABML	-	-	-	-	-	-
		(0.97)	-	-	-	-	(0.97)
	- CML	2,343.20	-	-	-	-	2,343.20
		(1,656.53)	-	-	-	-	(1,656.53)
	- CBSEA	0.14	-	-	-	-	0.14
		(0.04)	-	-	-	-	(0.04)
	- Espex	-	-	-	-	-	-
		(0.02)	-	-	-	-	(0.02)
	- CPSSL	25.95	-	-	-	-	25.95
		(10.59)	-	-	-	-	(10.59)
	Total	**2,369.29**	**-**	**-**	**-**	**-**	**2,369.29**
		(1,668.15)	**-**	**-**	**-**	**-**	**(1,668.15)**
Sale of goods	- CBSEA	48.45	-	-	-	-	48.45
		(39.83)	-	-	-	-	(39.83)
	- CPSSL	20.30	-	-	-	-	20.30
		(24.71)	-	-	-	-	(24.71)
	- Espex	37.39	-	-	-	-	37.39
		(36.75)	-	-	-	-	(36.75)
	- CML	434.06	-	-	-	-	434.06
		(233.65)	-	-	-	-	(233.65)
	Total	**540.20**	**-**	**-**	**-**	**-**	**540.20**
		(334.94)	**-**	**-**	**-**	**-**	**(334.94)**
Rent and Maintenance Costs							
	- CIL	0.72	-	-	-	-	0.72
		(0.53)	-	-	-	-	(0.53)
	- Shalini Construction	-	-	0.54	-	-	0.54
		-	-	(0.52)	-	-	(0.52)
	- Peninsula Estates	-	-	0.13	-	-	0.13
		-	-	(0.13)	-	-	(0.13)
	Total	**0.72**	**-**	**0.67**	**-**	**-**	**1.39**
		(0.53)	**-**	**(0.65)**	**-**	**-**	**(1.18)**
Insurance Expenses							
	- Raheja QBE	-	-	0.02	-	-	0.02
		-	-	(0.01)	-	-	(0.01)
Employee Welfare Expenses							
	-ELI	0.73	-	-	-	-	0.73
		(0.58)	-	-	-	-	(0.58)

Notes to Financial Statements

for the year ended March 31, 2018

40. RELATED PARTY DISCLOSURE (CONTD.)

ii) Details of transactions entered into with the related parties : (Contd.)

(Rs. in Crores)

	Subsidiaries	Enterprise/ Individuals having direct or indirect control	Companies / firms in which Directors / Key Management Personnel have significant influence	Key Management Personnel	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Dividend Income						
- ABML	1.30	-	-	-	-	1.30
	(2.54)	-	-	-	-	(2.54)
- Espex	0.09	-	-	-	-	0.09
	(0.55)	-	-	-	-	(0.55)
- CML	8.48	-	-	-	-	8.48
	(16.95)	-	-	-	-	(16.95)
- CIL	0.36	-	-	-	-	0.36
	(0.41)	-	-	-	-	(0.41)
- CPSSL	0.99	-	-	-	-	0.99
	(1.19)	-	-	-	-	(1.19)
Total	**11.22**	**-**	**-**	**-**	**-**	**11.22**
	(21.64)	**-**	**-**	**-**	**-**	**(21.64)**
Technical Assistance Expenses						
- CEIL	-	0.12	-	-	-	0.12
	-	(0.12)	-	-	-	(0.12)
Technical Assistance Income						
- ABML	0.41	-	-	-	-	0.41
	(0.36)	-	-	-	-	(0.36)
Marketing Expenses						
- CBSEA	0.38	-	-	-	-	0.38
	(0.06)	-	-	-	-	(0.06)
- ESPEX	0.10					0.10
	(0.12)					(0.12)
Contributions to employees benefit plans						
- COPF	-	-	-	-	18.22	18.22
	-	-	-	-	(16.38)	(16.38)
Rental Income						
- CPSSL	0.05	-	-	-	-	0.05
	(0.05)	-	-	-	-	(0.05)
Remuneration						
- Short term employee benefits	-	-	-	10.13	-	10.13
(including commission and sitting fees)	-	-	-	(10.09)	-	(10.09)
- Post retirement benefits	-	-	-	1.32	-	1.32
	-	-	-	(1.38)	-	(1.38)
Total	**-**	**-**	**-**	**11.45**	**-**	**11.45**
	-	**-**	**-**	**(11.47)**	**-**	**(11.47)**

figures for the previous years are in bracket

Notes to Financial Statements

for the year ended March 31, 2018

40. RELATED PARTY DISCLOSURE (CONTD.)

iii) Details of amounts due to or due from related parties as at March 31, 2018 and March 31, 2017 are as follows:

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Amounts due to or due from Subsidiaries		
Trade Payables		
-CML	54.81	61.93
-CBSEA	-	0.02
-CPSSL	4.28	2.55
Total	**59.09**	**64.50**
Trade Receivables		
-CBSEA	19.00	9.33
-CPSSL	6.74	6.51
-Espex	20.69	19.96
Total	**46.43**	**35.80**
Technical Assistance Income Receivables		
-ABML	0.41	0.36
Marketing Expenses Payables		
-CBSEA	0.04	-
-ESPEX	0.04	-
Contributions to employees benefit plans payables		
-COPF	1.53	1.34
Amounts due to Key Managerial Personnel		
-Remuneration to Directors (Short term employee benefits)	6.01	5.94

Notes : (1) Final dividend amounting to Rs. 31.28 crs was paid for the year 2016-17 (Rs. 31.28 crs for the year 2015-16) and Rs. 62.55 crs towards Interim Dividend for 2017-18 (Rs. 62.55 crs for Interim Dividend 2016-17) to Chloride Eastern Limited, UK.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (PY: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

41. SEGMENT REPORTING

The Company has identified two operating segments viz, Automotive and Industrial. As per Ind AS - 108, due to similar nature of products, production process, customer types, etc., the two operating segments have been aggregated as single operating segment of "storage batteries and allied products" during the year. The analysis of geographical segments is based on the areas in which customers of the Company are located.

Notes to Financial Statements

for the year ended March 31, 2018

41. SEGMENT REPORTING (CONTD.)

Geographical Segments

The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas operations as under:

(Rs. in Crores)

Particulars	Year ended 31st March 2018		
	India	Overseas	Total
Revenue (Gross Sale)	9,019.24	440.56	9,459.80
Non-current assets other than financial assets and Income tax assets	2,294.34	-	2,294.34

(Rs. in Crores)

Particulars	Year ended 31st March 2017		
	India	Overseas	Total
Revenue (Gross Sale)	8,145.76	407.98	8,553.74
Non-current assets other than financial assets and Income tax assets	1,767.59	-	1,767.59

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external cistomer.

42. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values of assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

42. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

B. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at March 31, 2018:

(Rs. in Crores)

Particulars	Note	Carrying amount					Fair value			
		FVTPL	Other financial assets - amortised cost*	FVOCI	Other financial liabilities*	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments - in mutual funds	9	203.89	-	-	-	203.89	10.03	193.86	-	203.89
Investments - in equity instruments	4	-	0.01	54.90	-	54.91	18.50	33.43	2.98	54.91
		203.89	**0.01**	**54.90**	**-**	**258.80**				
Financial assets not measured at fair value										
Trade receivables	5 & 10	-	944.57	-	-	944.57				
Cash and cash equivalents (a)	11	-	78.51	-	-	78.51				
Bank Balances other than (a) above	12	-	8.68	-	-	8.68				
Loans and deposits	6 & 13	-	27.20	-	-	27.20				
Other financial assets	14	-	24.80	-	-	24.80				
		-	**1,083.76**	**-**	**-**	**1,083.76**				
Financial liabilities not measured at fair value										
Trade payables	18 & 23	-	-	-	1,083.07	1,083.07				
Other financial liabilities	19 & 24	-	-	-	338.18	338.18				
		-	**-**	**-**	**1,421.25**	**1,421.25**				

* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their face value.

42. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

B. Accounting classifications and fair values (Contd.)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at March 31, 2017:

(Rs. in Crores)

Particulars	Note	Carrying amount					Fair value			
		FVTPL	Other financial assets - amortised cost*	FVOCI	Other financial liabilities*	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments - in mutual funds	9	905.48	-	-	-	905.48	10.03	895.45	-	905.48
Investments - in equity instruments	4	-	0.01	58.25	-	58.26	20.69	34.19	3.38	58.26
		905.48	**0.01**	**58.25**	**-**	**963.74**				
Financial assets not measured at fair value										
Trade receivables	5 & 10	-	623.46	-	-	623.46				
Cash and cash equivalents (a)	11	-	11.19	-	-	11.19				
Bank Balances other than (a) above	12	-	8.38	-	-	8.38				
Loans and deposits	6 & 13		23.49	-	-	23.49				
Other financial assets	14	-	24.54	-	-	24.54				
		-	**691.06**	**-**	**-**	**691.06**				
Financial liabilities not measured at fair value										
Borrowings	22	-	-	-	170.23	170.23				
Trade payables	18 & 23	-	-	-	771.58	771.58				
Other financial liabilities	19 & 24	-	-	-	318.28	318.28				
		-	**-**	**-**	**1,089.86**	**1,089.86**				

* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

The fair value of equity securities designated as Fair value through other comprehensive income is determined using Level 3 inputs like discounted cash flows, net asset value approach. Significant unobservable inputs comprise long term growth rates, market conditions of the specific industry, etc. However, the changes in the fair values due to changes in unobservable inputs will not be material to the financial statements.

Notes to Financial Statements

for the year ended March 31, 2018

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities comprise short-term borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investment.

The Company has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company. The Board of Directors also review these risks and related risk management policy. The market risks and credit risks are further explained below:

I) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTOCI investments, trade payables, trade receivables, etc.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are not hedged by the Company. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Changes in rate	Foreign currency Payable (net)	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2018	5%	140.61	(7.03)
	-5%		7.03
March 31, 2017	5%	215.28	(10.76)
	-5%		10.76

(ii) Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments / mutual funds. Reports on the investment portfolio are submitted to the Company's management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions.

Notes to Financial Statements

for the year ended March 31, 2018

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Equity price sensitivity

The following table shows the effect of price changes in listed equity

Particulars	Changes in price / NAV	Investment	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2018	5%	26.31	1.32
	-5%		(1.32)
March 31, 2017	5%	28.01	1.40
	-5%		(1.40)

II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

A significant part of the Company's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 5 and 10 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

The Company's exposure to credit risk for trade receivables and loans by geographic region is as follows:

(Rs. in Crores)

Particulars	Carrying Amount	
	March 31, 2018	March 31, 2017
India	840.59	561.39
Outside India	103.98	62.07
	944.57	**623.46**

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty, etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

The movement of the expected loss provision made by the Company are as under:

(Rs. in Crores)

Particulars	Expected credit loss	
	March 31, 2018	March 31, 2017
Opening Balance	2.20	1.54
Add: Provisions made (net)	0.85	0.66
Less: Utilisation for impairment/de-recognition	-	-
Closing Balance	3.05	2.20

Notes to Financial Statements

for the year ended March 31, 2018

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

III) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2018 and March 31, 2017. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

March 2018

(Rs. in Crores)

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Trade and other payables	1,078.71	4.36	1,083.07
Other financial liabilities	335.56	2.62	338.18
	1,414.27	**6.98**	**1,421.25**

March 2017

(Rs. in Crores)

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Borrowings	170.23	-	170.23
Trade and other payables	767.85	3.73	771.58
Other financial liabilities	316.21	2.07	318.28
	1,254.29	**5.80**	**1,260.09**

44. CAPITAL MANAGEMENT

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

Notes to Financial Statements

for the year ended March 31, 2018

45. The Board of Directors at its meeting held on May 7, 2018 have recommended a dividend of Re. 0.80 (80%) per equity share of face value of Re. 1 each for the financial year ended March 31, 2018. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

46. LIST OF SUBSIDIARIES OF THE COMPANY

The Company has following subsidiaries for which the Company prepares Consolidated Financial Statements as per Ind AS 110 "Consolidated Financial Statements". These subsidiaries have been accounted at cost in these separate financial statements of the Company.

Name	Principal place of business	% of ownership interest as on March 31, 2018
Chloride International Limited (CIL)	India	100
Chloride Power Systems & Solutions Ltd. (CPSSL)	India	100
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100
Espex Batteries Limited (ESPEX)	UK	100
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	Srilanka	61.5
Chloride Metals Ltd. (CML)	India	100
Exide Life Insurance Company Limited (ELI)	India	100

47. Exceptional Item represents expenses incurred towards settlement of dispute with Exide Technologies, USA, in relation to the usage of the name or mark "Exide" in India.

48. The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018. Corresponding amounts as appearing in the audited Standalone Ind AS financial statements for the period ended March 31, 2017 have been disclosed.

(Rs. in Crores)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.48	0.17	0.65
(+) Permitted receipts	-	1.22*	1.22
(-) Permitted payments	-	1.14	1.14
(-) Amount deposited in Banks	0.48	-	0.48
Closing cash in hand as on December 30, 2016	-	0.25	0.25

* Represents cash withdrawals from bank accounts across various locations for petty cash purposes.

49. The financial statements of the previous year were audited by a firm of chartered accountants other than B S R & Co. LLP.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Independent Auditor's Report

To the Members of Exide Industries Limited

REPORT ON THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of Exide Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, including a summary of 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 Holding Company'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 consolidated 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) specified under section 133 of the Act, read with rules issued thereunder. 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 judgements 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 Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing 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 judgement, 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 Holding Company'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, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our

Independent Auditor's Report

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters 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 other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 financial position of the Group as at March 31, 2018, its consolidated profit including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

OTHER MATTERS

1. The consolidated Ind AS financial statements of the Holding Company for the year ended March 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 4, 2017.

2. We did not audit the financial statements/ financial information of seven subsidiaries whose financial statements/ financial information reflect total assets of Rs. 13,602.44 crores and net assets of Rs. 1,175.93 crores as at March 31, 2018, total revenues of Rs. 3,725.39 crores and net cash outflows amounting to Rs. 61.70 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information 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 these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

3. The auditors of Exide Life Insurance Company Limited ("ELI"), a subsidiary, have reported that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of the ELI's appointed actuary. The actuarial valuation of these liabilities as at March 31, 2018 has been duly certified by the appointed actuary and in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principal and practice requirements of the Insurance Act, regulations notified by Insurance Regulatory Development Authority of India (IRDAI) and actuarial practice standard issued by the Institute of Actuaries of India in concurrence with IRDAI. The auditors of the ELI have relied upon the appointed actuary's certificate in this regard for framing their opinion on the financial statements of ELI.

Our opinion above on the consolidated Ind AS financial statements, 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 and the financial statements / financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph, 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

Independent Auditor's Report

kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and 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 specified under section 133 of the Act, read with rules issued thereunder.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 48 to the consolidated Ind AS financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2018.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2018.

iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However amounts as appearing in the audited consolidated Ind AS financial statements for the period ended March 31, 2017 have been disclosed.

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership no: 055757

Place: Mumbai
Date: May 7, 2018

Annexure A to the Independent Auditor's Report (Referred to in our report of even date)

Report on the Internal Financial Controls 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 Exide Industries Limited ("the Holding Company") as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 whether 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 is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies incorporated in India, 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 Ind AS 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 Ind AS 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

Annexure A to the Independent Auditor's Report (Referred to in our report of even date)

of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, the Holding Company and its subsidiary companies 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, 2018, 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 issued by the ICAI.

OTHER MATTERS

1. The auditors of Exide Life Insurance Company Limited ("ELI"), a subsidiary, have reported that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of the ELI's appointed actuary. The actuarial valuation of these liabilities as at March 31, 2018 has been duly certified by the appointed actuary and in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principal and practice requirements of the Insurance Act, regulations notified by Insurance Regulatory Development Authority of India (IRDAI) and actuarial practice standard issued by the Institute of Actuaries of India in concurrence with IRDAI. The auditors of ELI have relied upon the appointed actuary's certificate in this regard for framing their opinion on the financial statements of ELI.

   Accordingly, the auditors of ELI have not tested the internal financial controls system over financial reporting in respect of valuation and accuracy of liabilities for life policies certified by the Appointed Actuary and has been relied upon by them.

2. Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of internal financial controls over financial reporting in so far as it relates to four subsidiaries incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, incorporated in India.

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership no: 055757

Place: Mumbai
Date: May 7, 2018

Consolidated Balance Sheet

as at March 31, 2018

(Rs. in Crores)

Particulars	Note No.	March 31, 2018	March 31, 2017
I) ASSETS			
1) Non Current Assets			
a) Property, Plant and Equipment	2	2,065.08	1,647.64
b) Capital Work-in-Progress		236.99	146.37
c) Intangible Assets	3	33.99	29.26
d) Intangible assets under development		4.30	2.36
e) Reinsurance asset		55.10	20.05
f) Goodwill	4	581.90	581.90
g) Financial Assets			
(i) Investments			
- Investments of Life insurance business	5	11,481.30	10,238.77
- Other investments	6	54.91	58.26
(ii) Trade Receivables	7	1.46	1.81
(iii) Loans and Deposits	8	23.69	26.10
h) Current Tax Assets (Net)		73.23	75.14
i) Deferred Tax Assets (Net)	28	6.99	6.45
j) Other non-current Assets	9	114.07	102.31
		14,733.01	**12,936.42**
2) Current Assets			
a) Inventories	10	2,004.85	1,702.01
b) Financial Assets			
(i) Investments			
- Investments of Life insurance business	11	747.04	678.30
- Other investments	12	207.25	908.80
(ii) Trade Receivables	13	1,093.57	738.57
(iii) Cash and Cash Equivalents	14	308.60	314.98
(iv) Bank balances other than (iii) above	15	8.86	8.55
(v) Loans and Deposits	16	25.17	18.66
(vi) Other Financial Assets	17	372.76	347.07
c) Other Current Assets	18	321.11	118.35
		5,089.21	**4,835.29**
Total Assets		**19,822.22**	**17,771.71**
II) EQUITY AND LIABILITIES			
1) Equity			
a) Equity Share Capital	19	85.00	85.00
b) Other Equity	20	5,344.18	4,947.13
		5,429.18	**5,032.13**
2) Non-Controlling Interest	21	18.09	15.76
Total Equity		**5,447.27**	**5,047.89**
3) Liabilities			
(i) Non-Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	22	8.90	0.78
(ii) Trade Payables	23	4.73	4.16
(iii) Embedded Derivative Liability		0.58	0.66
(iv) Other Financial Liabilities	24	2.62	2.07
b) Provisions	25	56.96	52.58
c) Insurance Contract liabilities	26	9,799.08	8,598.82
d) Investment Contract liabilities	27	1,099.57	1,128.25
e) Deferred Tax Liabilities (Net)	28	147.88	162.52
f) Other Non-Current Financial Liabilities			
(i) Fund for discontinued polices (Linked and Non-Linked)		128.91	124.89
(ii) Fund for future Appropriation (Linked and Non-Linked)		71.51	41.56
		11,320.74	**10,116.29**
ii) Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	29	50.33	184.10
(ii) Trade Payables	30		
Total outstanding dues of Micro and Small Enterprises		10.67	20.20
Total outstanding dues of others		1,508.72	1,195.66
(iii) Other Financial Liabilities	31	442.94	402.64
b) Other Current Liabilities	32	220.95	148.17
c) Provisions	33	241.47	227.28
d) Insurance Contract liabilities	34	576.91	425.91
e) Investment Contract liabilities	35	-	1.65
f) Current Tax Liabilities (Net)		2.22	1.92
		3,054.21	**2,607.53**
Total Equity and Liabilities		**19,822.22**	**17,771.71**
Significant accounting policies	1		

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

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(Rs. in Crores)

Particulars			Note No.	2017-18	2016-17
I)	**INCOME:**				
	Revenue from Operations		36	13,082.78	12,150.22
	Other Income		37	67.65	102.71
	Total Income (I)			**13,150.43**	**12,252.93**
II)	**EXPENSES:**				
	Cost of raw materials consumed		38	6,086.94	4,996.90
	Purchase of Stock-in-trade			181.93	84.68
	Changes in inventories of finished goods, work-in-progress and stock-in-trade		39	(172.29)	(323.69)
	Excise Duty			274.70	971.59
	Employee Benefits Expenses		40	962.09	867.70
	Change in valuation of liability of life insurance policies in force		41	1,350.08	1,549.71
	Other expenses		44	3,004.42	2,636.68
	Total expenses (II)			**11,687.87**	**10,783.57**
III)	**EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION EXPENSES (I-II)**			**1,462.56**	**1,469.36**
	Finance Costs		42	105.65	146.29
	Depreciation and Amortisation expenses		43	267.21	225.93
IV)	**INTEREST, DEPRECIATION AND AMORTISATION EXPENSES**			**372.86**	**372.22**
V)	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)**			**1,089.70**	**1,097.14**
VI)	**EXCEPTIONAL ITEMS**			41.83	-
VII)	**PROFIT BEFORE TAX (V-VI)**			**1,047.87**	**1,097.14**
VIII)	**TAX EXPENSES:**				
	Current Tax [net of reversal of excess provision for earlier years Rs. 9.74 crs (PY: Rs. 9.03 crs)]			368.77	269.37
	Deferred Tax			(15.00)	23.75
				353.77	**293.12**
IX)	**PROFIT FOR THE YEAR (VII-VIII)**			**694.10**	**804.02**
X)	**OTHER COMPREHENSIVE INCOME (OCI)**				
	Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods:				
	a)	Re-Measurement gains/(losses) on defined benefit plans		1.28	(4.10)
		Income tax effect		(0.53)	1.16
	b)	Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value		36.64	72.25
		Income tax effect		0.08	-
	Other Comprehensive Income to be reclassified to profit or loss in subsequent periods :				
	a)	Net (Loss)/ gain on investment in debt securities accounted at Fair Value		(86.51)	24.68
	b)	Change in Foreign Currency Translation Reserve		2.66	(5.59)
		Income tax effect			
	Other Comprehensive Income for the year			**(46.38)**	**88.40**
XI)	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)**			**647.72**	**892.42**
	Total comprehensive income attributable to:				
		Non-controlling interests		3.14	2.97
		Owners of the Company		644.58	889.45
	Profit for the year attributable to:				
		Non-controlling interests		3.14	2.97
		Owners of the Company		690.96	801.05
	Earnings per share - Basic and Diluted (Nominal value Re. 1 per share (PY Re. 1 per share))		45	8.13	9.42
	Significant accounting policies		1		

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

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Rs. in Crores)

Particulars	2017-18		2016-17	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax		1,047.87		1,097.14
Adjustment for :				
Depreciation and Amortisation	267.21		225.93	
Net Profit on sale of investment	(288.42)		(283.99)	
Loss on Fixed Assets sold / discarded (net)	4.86		0.49	
Income from investment including dividend	(728.64)		(732.06)	
Gain / (loss) on fair value of financial assets	67.56		(122.76)	
Gain on fair value of investments in mutual fund units	(0.50)		(0.75)	
Interest Expense	8.60		2.67	
Change in valuation of liability against life policies	1,350.08		1,549.71	
		680.75		639.24
Operating profit before working capital changes		1,728.62		1,736.38
(Increase) in Trade Receivables (net of provision)	(354.65)		(26.21)	
(Increase) in Inventories	(302.84)		(455.53)	
(Increase) in Loans, other Financial Assets and other Assets	(251.92)		(90.59)	
Increase in other Financial Liabilities, other Liabilities and Provisions	461.71	(447.70)	64.89	(507.44)
Cash generated from operations		1,280.92		1,228.94
Direct Taxes Paid (net of refunds and interest thereon)		(366.57)		(291.68)
Net Cash from operating activities		914.35		937.26
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase and construction of property, plant and equipment(including intangible assets)	(807.68)		(441.21)	
Proceeds from sale of property, plant and equipment	1.19		0.47	
Net proceeds from sale/ (purchase) of investments(net)	(434.88)		(990.33)	
Investment income (including dividends and interest)	704.81		702.62	
Net Cash used in investing activities		(536.56)		(728.45)

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Rs. in Crores)

Particulars	2017-18		2016-17	
(C) CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Borrowing (net)	(126.93)		68.19	
Dividends Paid (including tax)	(249.35)		(248.19)	
Interest Paid	(9.82)		(1.90)	
Net Cash used in financing activities		(386.10)		(181.90)
Net Increase in cash and cash equivalents		**(8.31)**		**26.91**
Cash and Cash Equivalents - Opening Balance		314.98		286.65
Cash and Cash Equivalents - Closing Balance		306.67		313.56
Effect of exchange rate changes		**1.93**		**1.42**
Cash and Cash Equivalents - Closing Balance (as disclosed in Note 14)		**308.60**		**314.98**

The aforesaid Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7- Statement of Cash Flow
The accompanying notes are an integral part of the consolidated financial statements .
As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

A) EQUITY SHARE CAPITAL

(Rs. in Crores)

	Number	Amount
Equity Shares of INR 1 each issued, subscribed and fully paid		
On April 1,2016	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance at March 31,2017	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance at March 31,2018	85,00,00,000	85.00

B) OTHER EQUITY

(Rs. in Crores)

Particulars	Attributable to the equity holders of the parent											
	Reserves and Surplus					OCI						
	Capital reserve	Securities Premium reserve	Contingency Reserve	Capital Redemption Reserve	Retained earnings	Foreign currency translation reserve	Re-measurement of Defined benefit plan	Investments in equity shares / units at fair value	Debt instruments	Total Attributable to the owners of the Company	Non-controlling interest	Total Equity
Balance at March 31, 2016	**2.89**	**737.88**	**25.00**	**0.80**	**3,503.03**	**2.67**	**(6.38)**	**0.69**	**38.24**	**4,304.82**	**14.61**	**4,319.43**
Profit for the year	-	-	-	-	801.05	-	-	-	-	801.05	2.97	804.02
Re-Measurement gains/ (losses) on defined benefit plans, net of tax	-	-	-	-	-	-	(2.94)	-	-	(2.94)	-	(2.94)
Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value, net of tax	-	-	-	-	-	-	-	72.25	-	72.25	-	72.25
Net (Loss)/ gain on investment in debt securities accounted at Fair Value, net of tax	-	-	-	-	-	-	-	-	24.68	24.68	-	24.68
Change in Foreign Currency Translation Reserve	-	-	-	-	-	(5.59)	-	-	-	(5.59)	-	(5.59)
	2.89	**737.88**	**25.00**	**0.80**	**4,304.08**	**(2.92)**	**(9.32)**	**72.94**	**62.92**	**5,194.27**	**17.58**	**5,211.85**
Adjustments												
Final Dividend for the year 2015-16 (Re. 0.80 per share)	-	-	-	-	(68.00)	-	-	-	-	(68.00)	-	(68.00)
Tax on Final Dividend for the year 2015-16	-	-	-	-	(11.68)	-	-	-	-	(11.68)	-	(11.68)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(1.82)	(1.82)
Payment of Interim dividend for the year 2016-17 (Rs.1.60 per share)	-	-	-	-	(136.00)	-	-	-	-	(136.00)	-	(136.00)
Tax on Interim dividend for the year 2016-17	-	-	-	-	(31.46)	-	-	-	-	(31.46)	-	(31.46)
Balance at March 31, 2017	**2.89**	**737.88**	**25.00**	**0.80**	**4,056.94**	**(2.92)**	**(9.32)**	**72.94**	**62.92**	**4,947.13**	**15.76**	**4,962.89**
Profit for the year	-	-	-	-	690.96	-	-	-	-	690.96	3.14	694.10
Re-Measurement gains/ (losses) on defined benefit plans, net of tax	-	-	-	-	-	-	0.75	-	-	0.75	-	0.75

Consolidated Statement of Changes in Equity
for the year ended March 31, 2018

B) OTHER EQUITY (CONTD.)

(Rs. in Crores)

Particulars	Attributable to the equity holders of the parent											
	Reserves and Surplus					OCI						
	Capital reserve	Securities Premium reserve	Contingency Reserve	Capital Redemp-tion Reserve	Retained earnings	Foreign currency translation reserve	Re-measurement of Defined benefit plan	Investments in equity shares / units at fair value	Debt instru-ments	Total Attri-butable to the owners of the Company	Non-controlling interest	Total Equity
Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value, net of tax	-	-	-	-	-	-	-	36.72	-	36.72	-	36.72
Net (Loss)/ gain on investment in debt securities accounted at Fair Value, net of tax	-	-	-	-	-	-	-	-	(86.51)	(86.51)	-	(86.51)
Change in Foreign Currency Translation Reserve	-	-	-	-	-	2.66	-	-	-	2.66	-	2.66
	2.89	**737.88**	**25.00**	**0.80**	**4,747.90**	**(0.26)**	**(8.57)**	**109.66**	**(23.59)**	**5,591.71**	**18.90**	**5,610.61**
Adjustments												
Final Dividend for the year 2016-17 (Re. 0.80 per share)	-	-	-	-	(68.00)	-	-	-	-	(68.00)	-	(68.00)
Tax on Final Dividend for the year 2016-17	-	-	-	-	(13.84)	-	-	-	-	(13.84)	-	(13.84)
Dividends paid to non-controlling interest					-					-	(0.81)	(0.81)
Payment of Interim dividend for the year 2017-18 (Rs. 1.60 per share)	-	-	-	-	(136.00)	-	-	-	-	(136.00)	-	(136.00)
Tax on Interim dividend for the year 2017-18	-	-	-	-	(29.69)	-	-	-	-	(29.69)	-	(29.69)
Balance at March 31, 2018	**2.89**	**737.88**	**25.00**	**0.80**	**4,500.37**	**(0.26)**	**(8.57)**	**109.66**	**(23.59)**	**5,344.18**	**18.09**	**5,362.27**
Significant accounting policies	1											

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

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-
J. Kumar
Company Secretary & EVP - Legal & Admin
ACS: 11159

Sd/-
A. K. Mukherjee
Director- Finance & CFO
DIN: 00131626

Sd/-
Gautam Chatterjee
Managing Director & CEO
DIN: 00012306

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

CORPORATE INFORMATION

The Consolidated financial statements comprise financial statements of Exide Industries Limited (the company) and its subsidiaries (collectively, the Group) as at and for the year ended March 31, 2018. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Exide House, 59E Chowringhee Road, Kolkata, 700020. The Company is primarily engaged in the manufacturing of Storage Batteries and allied products in India. One of the Company's subsidiaries namely, Exide Life Insurance Company Limited (ELI) (Formerly known as ING Vysya Life Insurance Company Limited), is engaged in the business of life insurance and annuity. ELI offers a range of life insurance products to the customers through various distribution channels including individual agents, corporate agents, banks, etc.

BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 7, 2018.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

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

- Certain financial assets and liabilities, which are measured at fair value.
- Net defined employee benefit asset / (liability), which are measured at Fair Value of plan assets less present value of defined benefit obligations.
- Certain life insurance contract liabilities and investments contract liabilities.

Standalone financial statements of Exide Life Insurance Company Limited (ELI) are prepared and presented in accordance with the accounting principles generally accepted in India in compliance with Accounting Standards (AS) as prescribed in the Companies (Accounting Standard) Rules, 2006, as amended and to the extent applicable, and in accordance with the provisions of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002, provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act 1999, various circulars issued by IRDAI and the practices prevailing within the Insurance Industry in India. However, such financial statements of ELI have been suitably modified to materially conform to the measurement and recognition principles of Indian Accounting Standards ("Ind-AS"), to the extent applicable, for the purpose of consolidation.

1. SIGNIFICANT ACCOUNTING POLICIES

a. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.

Expenditure directly attributable to expansion projects is capitalised. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not related to the project nor are incidental thereto, are expensed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Gain or loss arising on disposal of an asset is treated as income or expense.

Refer Note 2 to the Consolidated Financial Statements

b. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful economic life
Land under finance lease	Lease period
Buildings	28.5/58.5 years
Plant and machinery (including electrical installation)	10/15 years
Moulds	8.5 years
Furniture and fittings	5 to 10 years
Office equipment	5 years
Vehicles	4 to 6 years
Computers	3 to 6 years

Based on technical assessment done by experts and management's estimate,

(i) the useful life of factory buildings, other buildings, moulds and vehicles are lower than those indicated in Schedule II to the Companies Act, 2013,

(ii) residual value of plant & machinery, moulds and computers has been considered to be 2% of the cost as against 5% specified in Schedule II of the Companies Act, 2013. For buildings, office equipment, furniture & fittings and vehicles, residual value has been estimated at 5% of the cost.

The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Refer Note 43 to the Consolidated Financial Statements

c. Intangible assets and Amortisation

Acquired intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and accumulated impairment loss, if any.

Intangible assets are amortised over their respective useful economic lives and assessed for impairment whenever there is an impairment indicator, except goodwill which is tested for impairment annually whether or not impairment conditions exist. The amortisation expense and the gain or loss on disposal, is recognised in the Statement of Profit and Loss. Intangible assets with infinite useful lives are tested for impairment annually.

The amortisation policies applied to the Company's intangible assets are as follows:

Intangible assets	Useful lives	Amortisation method used
Computer Software / Trademark	Finite (5 years)	Amortised on a straight-line basis over the life

Research costs are expensed as incurred.

Refer Note 3 and 43 to the Consolidated Financial Statements.

d. Goodwill

Goodwill is stated at cost less impairment losses, where applicable. Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

e. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials, Components, Stores and Spares: These are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

in cases where material prices have declined and it is estimated that the cost of the respective finished products will exceed their net realisable value.

(ii) Finished goods and work in progress: These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

(iii) Traded goods: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to completion and the estimated costs necessary to sell them.

Refer Note 10 to the Consolidated Financial Statements.

g. Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Refer Note 14 to the Consolidated Financial Statements.

h. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Refer Notes 25 and 33 to the Consolidated Financial Statements.

i. Retirement and other employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Post-retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates

(a) Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund and

(b) Post-retirement medical benefit plan which is unfunded.

Gratuity and Post-Retirement Medical Benefit liability are provided for on the basis of actuarial valuation, using the projected unit credit method, made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

(ii) Net interest expense or income

Long term compensated absences are provided for based on an actuarial valuation done at the end of each financial year.

Pension liability is split into a defined benefit portion and a defined contribution portion. The part of the liability towards pension plan upto March 31, 2003 for employees as on that date is in the nature of defined benefit plan. From April 1, 2003, the pension remains as a defined contribution liability. The Defined benefit portion is provided for on the basis of an actuarial valuation done at the end of each financial year. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the employee renders the service.

The current and non-current bifurcation is done as per Actuarial report.

(iii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual Independent actuarial valuation using the projected unit credit method. Pre-measurements gains or losses are recognised in profit or loss in the period in which they arise.

Refer Notes 25, 33, 47 to the Consolidated Financial Statements.

j. Foreign Currency

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction.

Foreign currency monetary items are reported using the closing rate. Foreign currency non-monetary items measured at historical cost are translated using the exchange rates at the dates of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

k. Revenue Recognition

Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Refer Note 36 to the Financial Statements.

Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Refer Note 37 to the Consolidated Financial Statements.

l. Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Deferred tax is recognised on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax Liabilities and assets, and they relate to income taxes levied by the same tax authority on the same. Taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a Net basis or their tax assets and liabilities will be realised simultaneously.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

Refer Note 28 to the Consolidated Financial Statements.

m. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the Statement of Profit and Loss on a straight line basis.

Refer Notes 60 to the Consolidated Financial Statements.

n. Earnings per share

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

Refer Note 45 to the Consolidated Financial Statements.

o. Segment reporting

The Group's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which customers of the Group are located.

Refer Note 52 to the Consolidated Financial Statements.

p. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Refer Note 48 to the Consolidated Financial Statements.

q. Financial instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost; Fair value through other comprehensive income (FVOCI) – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the conditions and is not designated as at FVTPL: (i) The asset is held within a business model whose objective is

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

to hold assets to collect contractual cash flows; and (ii) 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The subsequent measurement of gains and losses of various categories of financial instruments are as follows: (i) Financial assets at amortised cost: these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(ii) Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

(iii) Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and Losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities: The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

Refer note 54 to the Consolidated Financial Statements.

r. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.1 Standards Issued but not yet Effective

Amendments to Ind AS 21 - On March 28, 2018, Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standard) Amendment Rules, 2018.

The rules notified Appendix B of Ind AS 21 – which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115 – Revenue from Contracts with customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its consolidated financial statements. The Company has done a preliminary assessment and do not expect a significant impact due to the adoption of the standard.

Under Ind AS 115, revenue will be recognised when a customer obtains control of the goods. The Company's initial assessment indicates that it will result in changing of timing of recognition of revenue for certain products as compared to the current GAAP.

The Company plans to apply Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. April 1, 2018) in retained earnings. As a result, the Company will not present relevant individual line items appearing under comparative period presentation.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

1.2 Accounting policies related to life insurance business

(i) Product classification

Insurance and investment contracts are classified as being either with or without DPF. DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that meet the following conditions:

- Likely to be a significant portion of the total contractual benefits

- The amount or timing of which is contractually at the discretion of the issuer

- That are contractually based on:

a) The performance of a specified pool of contracts or a specified type of contract

b) Realized and/or unrealized investment returns on a specified pool of assets held by the issuer

c) The profit or loss of the Company, fund or other entity that issues the contract

(ii) Life insurance contract liabilities

Life insurance liabilities are recognized when contracts are entered into and premiums are charged. These liabilities are measured using the net premium method. The liability is determined as the sum of the discounted value of the expected future benefits, claims handling and policy administration expenses, policyholder options and guarantees and investment income from assets backing such liabilities, which are directly related to the contract, less the discounted value of the expected premiums that would be required to meet the future cash outflows based on the valuation assumptions used.

(iii) Investment contract liabilities

Investment contracts are classified between contracts with and without DPF. The accounting policies for investment contract liabilities with DPF are the same as those for life insurance contract liabilities. Investment contract liabilities without DPF are recognized when contracts are entered into and premiums are charged. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition, the investment contract liabilities are measured at fair value through profit or loss.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the statement of financial position and are not recognized as gross premium in the statement of profit or loss.

Fair values are determined at each reporting date and fair value adjustments are recognized in the statement of profit or loss in "Gross change in contract liabilities".

Non-unitized contracts are subsequently also carried at fair value. The liability is derecognized when the contract expires, discharged or cancelled. For a contract that can be cancelled by the policyholder, the fair value of the contract cannot be less than the surrender value.

When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position as described above.

Refer Note 58 to the Consolidated Financial Statements.

(iv) Reinsurance assets

Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting period.

(v) Liability adequacy test

The Company performs adequacy testing on its insurance liabilities to ensure that the carrying amounts (net of related deferred acquisition costs) and, where relevant, present value of acquired in-force business is sufficient to cover current estimates of future cash flows. Any deficiency is immediately charged to the income statement.

(vi) Revenue recognition

(a) Premium Income

Premium is recognized as income when due. Premium on lapsed policies is recognized as income when such policies are reinstated.

Notes to Consolidated Financial Statements

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For linked business, Premium income is recognized as income when the associated units are created. Income from unit linked funds which include policy administration charges, mortality charges, etc. are recovered from unit linked fund in accordance with terms and conditions of policy and is recognized when due. Fund management charges are adjusted in the unit price computed on each business date.

Premium income pertaining to investment contracts are accounted as investment liabilities.

(b) Income from investments

Interest/dividend income on investments is recognized on accrual basis. Amortization of discount/ premium relating to debt securities is recognized over the remaining maturity period on effective interest basis.

(c) Reinsurance Premium

Cost of reinsurance ceded is accounted at the time of recognition of premium income in accordance with the treaty or in principle arrangement/agreement with the reinsurers.

(d) Income from linked policies

For linked business, premium income is recognized as income when the associated units are created. Income from unit linked funds which include policy administration charges, mortality charges, etc. are recovered in accordance with terms and conditions of policy and is recognized when due. Fund management charges are adjusted in the unit price computed on each business date.

(e) Interest income

Interest on loans against policies is recognized on effective interest basis.

(f) Amortization of premium /discount on securities Income/Cost

Premium or discount on acquisition, as the case may be, in respect of debt securities /fixed income securities, pertaining to non-linked investments is amortized on effective interest rate basis over the expected life of the financial instrument.

Realized Gain/ (Loss) on Debt Securities for Linked Business:

Realized gain/(loss) on debt securities for linked business is the difference between the sale consideration net of expenses and the book cost, which is computed on weighted average basis, as on the date of sale.

(g) Realized Gain/ (Loss) on Debt Securities for Non-Linked Business

Realized gain/(loss) on debt securities for other than linked business is the difference between the sale consideration net of expenses and the amortized cost, which is computed on a weighted average basis, as on the date of sale.

(h) Realized Gain/ (Loss) on sale of Equity Shares/ Equity ETF/ Mutual Fund

Realized gain/ (Loss) on sale of equity shares/ mutual fund units is the difference between the sale consideration net of expenses & the book cost computed on weighted average basis as on the date of sale (mutual fund sale considerations would be based on the latest available NAV).

(i) Unrealized Gain/ (Loss) for Linked Business

Unrealized gains and losses for Linked Business are recognized in the respective fund's revenue account

(j) Fees and charges

Fees and charges including policy reinstatement fee (if any) are recognised on receipt basis.

(vii) Benefits paid (including claims)

Benefits paid comprise policy benefit amount and bonus declared to policyholders. Death & surrender claims are accounted for on receipt of intimation based on the terms of policy. Maturity benefits, survival benefits and declared bonuses are accounted for on the respective due dates. Withdrawals and benefits under linked policies are accounted in the respective schemes when the associated units are cancelled.

Repudiated claims disputed before judicial authorities are provided for based on management prudence and considering the fact and evidences available in respect of such claims. Reinsurance recoveries on claims are accounted for, in the same period as the related claims.

Amounts paid under investment contracts other than those with a discretionary participating feature are recorded as reductions of the investment contract liabilities.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Amounts received under investment contracts, are not recorded through profit or loss, except for fee income and investment income attributable to those contracts, but are accounted for directly through the statement of financial position as an adjustment to investment contract liabilities.

(viii) Actuarial liability valuation

The estimation of liability for life policies is determined by the Appointed Actuary in accordance with accepted actuarial practice, requirements of Insurance Act 1938, IRDAI regulations and the actuarial practice standards issued by The Institute of Actuaries of India.

Refer Note 51 to the Consolidated Financial Statements.

(ix) Acquisition & maintenance costs

Acquisition costs such as commission, medical fees and stamp duty are costs that vary with and are primarily related to the acquisition of new and renewal insurance contracts. Such costs are expensed in the year in which they are incurred.

(x) Liability for Life Policies

The valuation exercise is done to protect the interests of the existing policyholders. For policies with profit, the reasonable expectations of policyholders (PRE) are also considered. The reserves should be adequate to provide for all the policyholders benefits in various future scenarios. Adequate use of Margin for Adverse Deviation (MAD) is made to ensure that policyholders' benefits are protected even in some plausible adverse scenarios.

Actuarial liability for life policies in force and for policies in respect of which premium has been discontinued but a liability exists, is determined using the gross premium method and in case of group business (except for Credit Life Business and Reverse Mortgage Loan Enabled Annuity where gross premium method is used), the actuarial liabilities have been calculated on the basis of Unearned Premium Reserve method. Linked liabilities comprise unit liability representing the fund value of policies and non-unit liability for meeting insurance claims, expenses etc. The main governing guidelines considered for valuation are Insurance Act 1938, IRDA Act 1999, IRDAI (Actuarial Report & Abstract) Regulations 2016, IRDAI (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations 2016, Actuarial Practice Standards and Guidance notes issued by Institute of Actuaries of India, Circulars issued by IRDAI from time to time.

(xi) Loans against policies

Loans are stated at historical costs subject to provision for impairment. Interest on loans, if any, is recognized on an accrual basis.

(xii) Actuarial liability valuation

The estimation of liability for life policies is determined by the Appointed Actuary in accordance with accepted actuarial practice, requirements of Insurance Act 1938, IRDAI regulations and the actuarial practice standards issued by The Institute of Actuaries of India.

(xiii) Transfer of investments between Shareholders and Policyholders

In order to meet the deficit in the Policyholders' account the Company transfers cash or investments from Shareholders' fund to Policyholders' fund in compliance with IRDAI circulars.

(xiv) Deferred acquisition costs (DAC)

Those direct and indirect costs incurred during the financial period arising from the acquiring or renewing of insurance contracts and/or investment contracts with DPF, are deferred to the extent that these costs are recoverable out of future premiums from insurance contract and over duration of investment contracts with DPF. All other acquisition costs are recognized as an expense when incurred.

Subsequent to initial recognition, this DAC asset for life insurance and investment contracts with DPF is amortized over the expected life of the contracts as a constant percentage of expected premiums. DAC for general insurance and health products are amortized over the period in which the related revenues are earned. The deferred acquisition costs for reinsurers are amortized in the same manner as the underlying asset amortization and is recorded in the statement of profit or loss.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method and are treated as a change in an accounting estimate.

An impairment review is performed at each reporting date or more frequently when an indication of impairment

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

arises. When the recoverable amount is less than the carrying value, an impairment loss is recognized in the statement of profit or loss. DACs are also considered in the liability adequacy test for each reporting period.

DACs are derecognized when the related contracts are either settled or disposed of.

(xv) Deferred revenue

Initial and other front-end fees received for rendering future investment management services relating to investment contracts without DPF, are deferred and recognized as revenue when the related services are rendered.

(xvi) Funds for future appropriation

Linked business

Amounts estimated by Appointed Actuary as Funds for Future Appropriation – Linked are required to be set aside in the balance sheet and are not available for distribution to shareholders until the expiry of the revival period. The Company appropriates Funds for Future Appropriation from the Revenue Account.

Participating business

At each balance sheet date, the management with the approval of the board decides to distribute the surplus among policyholders, shareholders and funds for appropriation at a future date. Surplus arising in the participating business after allowing for current year cost of bonus to policyholder is held as funds for future appropriation, which includes the surplus not appropriated during the year either to the policyholders or to the shareholders.

(xvii) Discretionary Participation Features (DPF)

A DPF gives holders of these contracts the right to receive, as a supplement to guaranteed benefits, significant additional benefits which are based on the performance of the assets held within the DPF portfolio. The amount or timing of the additional benefits is contractually at the discretion of the Company. Under the terms of the contracts, surpluses in the DPF funds can be distributed to policyholders and shareholders on a 90/10 basis. The Company has the discretion over the amount and timing of the distribution of these surpluses to policyholders. All DPF liabilities including unallocated surpluses at the end of the reporting period are held within insurance or investment contract liabilities, as appropriate.

1.3 Principles of consolidation

The consolidated financial statements which relate to Exide Industries Ltd. (EIL) and its subsidiary companies, have been prepared on the following basis –

i. The financial statements of the company and its subsidiaries are consolidated by combining like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/ loss included therein. Deferred tax has been created on temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions as per Ind AS12: Income Taxes.

ii. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., year ended on March 31.

iii. The excess / shortfall of cost to the company of its investments in the subsidiary companies is recognized in the financial statements as goodwill / capital reserve, as the case may be.

iv. With respect to subsidiaries domiciled out of India, assets and liabilities of such entities, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end. Income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

v. The subsidiary companies considered in the financial statements are as follows:

Name	Country of Incorporation	% of ownership interest as on March 31, 2018	% of ownership interest as on March 31, 2017
Chloride International Limited (CIL)	India	100	100
Chloride Power Systems & Solutions Ltd. (CPSSL)	India	100	100
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100	100
Espex Batteries Limited (ESPEX)	UK	100	100
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	Srilanka	61.50	61.50
Chloride Metals Ltd. (CML)	India	100	100
Exide Life Insurance Company Limited (ELI)	India	100	100

vi. Non-controlling interest

Non-controlling interest has been computed in respect of Associated Battery Manufacturers (Ceylon) Limited, a non-fully owned subsidiary. Profit and each component of other comprehensive income (OCI) of Associated Battery Manufacturers (Ceylon) Limited are attributed to the Company and to the non-controlling interests in terms of Ind AS 110: Consolidated Financial Statements.

Notes to Consolidated Financial Statements
for the year ended March 31, 2018

2. PROPERTY, PLANT AND EQUIPMENT

(Rs. in Crores)

	Freehold land	Land under Finance lease	Buildings	Plant & equipments (including electrical installation)	Moulds	Office Equipment	Furniture & fixtures	Vehicles	Computers	Total
Cost										
As at April 1, 2016	43.24	34.08	311.68	968.61	127.64	11.76	8.73	4.61	18.08	1,528.43
Effect of Foreign exchange	(0.16)	-	(0.55)	(1.03)	-	-	(0.07)	(0.17)	-	(1.98)
Additions	3.23	-	76.48	344.63	53.36	5.07	2.32	0.93	12.74	498.76
Disposals / deductions	-	-	0.34	1.65	0.49	0.03	0.01	0.02	0.15	2.69
As at March 31, 2017	**46.31**	**34.08**	**387.27**	**1,310.56**	**180.51**	**16.80**	**10.97**	**5.35**	**30.67**	**2,022.52**
Effect of Foreign exchange	(0.05)	-	0.46	(0.35)	(0.02)	-	0.06	0.23	-	0.33
Additions	13.54	41.43	78.30	468.84	55.78	4.27	3.25	0.43	10.74	676.58
Disposals / deductions	0.02	-	1.77	4.94	1.17	0.12	0.04	0.02	0.77	8.85
As at March 31, 2018	**59.78**	**75.51**	**464.26**	**1,774.11**	**235.10**	**20.95**	**14.24**	**5.99**	**40.64**	**2,690.58**
Accumulated Depreciation	-									
As at April 1, 2016	-	0.59	13.09	123.49	16.43	2.56	2.58	1.09	4.61	164.44
Effect of Foreign exchange	-	-	(0.14)	(0.25)	(0.01)	-	(0.04)	(0.09)	-	(0.53)
Depreciation	-	0.89	16.49	162.50	21.88	2.93	1.36	1.16	5.39	212.60
Disposals / deductions	-	-	0.15	1.02	0.38	-	-	-	0.08	1.63
As at March 31, 2017	**-**	**1.48**	**29.29**	**284.72**	**37.92**	**5.49**	**3.90**	**2.16**	**9.92**	**374.88**
Effect of Foreign exchange	-	-	0.28	(0.07)	-	-	0.04	0.14	-	0.39
Depreciation	-	0.62	19.61	194.96	25.68	3.78	1.54	1.16	8.29	255.64
Disposals / deductions	-	-	0.30	3.40	0.87	0.11	0.01	0.01	0.71	5.41
As at March 31, 2018	**-**	**2.10**	**48.88**	**476.21**	**62.73**	**9.16**	**5.47**	**3.45**	**17.50**	**625.50**
Net Block										
As at March 31, 2017	**46.31**	**32.60**	**357.98**	**1,025.84**	**142.59**	**11.31**	**7.07**	**3.19**	**20.75**	**1,647.64**
As at March 31, 2018	**59.78**	**73.41**	**415.38**	**1,297.90**	**172.37**	**11.79**	**8.77**	**2.54**	**23.14**	**2,065.08**

a. Conveyance / Lease deeds for certain immovable properties valued at Rs. 48.21 crs (PY : Rs. 7.21 crs) are pending execution.

b. Buildings Includes Rs. 0.10 crs (PY : Rs. 0.10 crs) being the cost of shares in respective Co-operative Housing Societies.

c. Vehicles inludes Vehicles held under hire purchase contracts Rs. 0.82 crs (PY : Rs. 0.81 crs)

d. Buildings inludes leasehold improvements Rs. 9.42 crs (PY : Rs. 8.09 crs)

e. Property, plant and equipment are pledged against the borrowings obtained by the group as referred in Note 22 and 29.

f. Details of Overhead expenditure on New / Expansion Projects (Pending allocation and lying in Capital work in progress).

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance brought forward from previous year	-	2.16
Salaries, Wages & Bonus	-	-
Borrowing Cost	-	1.02
Travelling expenses	-	-
	-	**3.18**
Less : Allocated to Property, Plant and Equipment upon capitalisation during the year	-	3.18
	-	**-**

3. OTHER INTANGIBLE ASSETS

(Rs. in Crores)

Particulars	Trade Mark	Computer Software	Total
Cost			
As at April 1, 2016	3.12	30.28	33.40
Additions	-	13.30	13.30
As at March 31, 2017	**3.12**	**43.58**	**46.70**
Effect of Foreign exchange	-	0.17	0.17
Additions	-	16.13	16.13
As at March 31, 2018	**3.12**	**59.88**	**63.00**
Amortisation			
As at April 1, 2016	0.84	7.16	8.00
Amortisation	0.84	8.60	9.44
As at March 31, 2017	**1.68**	**15.76**	**17.44**
Amortisation	0.69	10.88	11.57
As at March 31, 2018	**2.37**	**26.64**	**29.01**
Net Block			
As at March 31, 2017	**1.44**	**27.82**	**29.26**
As at March 31, 2018	**0.75**	**33.24**	**33.99**

4. GOODWILL

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Goodwill	585.79	585.79
Accumulated impairment	(3.89)	(3.89)
	581.90	**581.90**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Movement in Goodwill

	Goodwill
Cost	
As at April 1, 2016	585.79
Additions	-
As at March 31, 2017	**585.79**
Effect of Foreign exchange	-
Additions	-
As at March 31, 2018	**585.79**
Amortisation	
As at April 1, 2016	-
Amortisation (including impairment)	3.89
As at March 31, 2017	**3.89**
Amortisation	-
As at March 31, 2018	**3.89**
Net Block	
As at March 31, 2017	581.90
As at March 31, 2018	**581.90**

4.1. ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS

The carrying value of goodwill pertained to Home UPS business which was acquired by the Company in 2011-12. During the previous year the company impaired the goodwill aggregating to Rs. 3.89 crs pertaining to the Home UPS business.

5. INVESTMENTS OF LIFE INSURANCE BUSINESS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a. Investments held at Amortised Cost		
Policyholders' Investments		
Quoted Investments		
Government securities and government guaranteed bonds including treasury bills	4,544.56	3,784.64
Debentures/ bonds	399.54	380.01
Investments in infrastructure and social sector bonds	1,351.48	1,292.49
Unquoted Investments		
Other securities (Policy Loan)	284.39	211.06
	6,579.97	**5,668.20**
b. Investments held at FVTOCI		
Policyholders' Investments (Quoted)		
Government securities and government guaranteed bonds including treasury bills	1,277.72	1,115.85
Debentures/ bonds	163.69	161.34
Investments in infrastructure and social sector bonds	270.95	284.77
Equity	521.71	406.68
Policyholders' Investments (Un-Quoted)		
Equity	18.50	-
Shareholders' investments		
Government securities and government guaranteed bonds including treasury bills	613.70	486.35
Debentures/ bonds	22.53	17.46

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

5. INVESTMENTS OF LIFE INSURANCE BUSINESS (CONTD.)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Investments in infrastructure and social sector bonds	175.17	138.54
	3,063.97	**2,610.99**
c. Investments held at FVTPL		
Policyholders' Investments (Quoted)		
Equity	95.97	45.07
Policyholders' Investments (Un-Quoted)		
Equity	6.50	-
Assets held to cover linked liabilities:		
Government securities and government guaranteed bonds including treasury bills	366.85	379.66
Equity	1,210.24	1,289.04
Debentures/ bonds	59.06	78.87
Investments in infrastructure and social sector bonds	98.74	166.94
	1,837.36	**1,959.58**
	11,481.30	**10,238.77**
(i) Aggregate book value of quoted investments	11,171.91	10,027.71
(ii) Aggregate market value of quoted investments	11,327.73	10,589.35
(iii) Aggregate value of unquoted investments	309.39	211.06

6. OTHER INVESTMENTS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Investments at cost (Unquoted)		
Government Securities		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
Investments at FVTOCI		
Investment In Debentures / Bonds^	-	-
Units (Unquoted)		
Faering Capital India Evolving Fund of Rs. 1000 each [2,27,458 units (PY : 2,45,741 units)]	33.43	34.19
Equity shares (Unquoted)		
Haldia Integrated Development Agency Ltd of Rs. 10 each [5,00,000 shares (PY: 5,00,000 shares)]	2.95	3.35
Suryadev Alloys of Rs. 10 each [2,500 shares (PY: 2,500 shares)]	0.03	0.03
Equity shares (Quoted)		
Hathway Cable and Datacom Limited of Rs. 2 each [54,62,830 shares (PY: 54,62,830 shares)]	18.49	20.68
	54.91	**58.26**
(i) Aggregate book value of unquoted investments	36.42	37.58
(ii) Aggregate book value and market value of quoted investments	18.49	20.68
(iii) Refer Note 53 for information about fair value measurement and Note 54 for credit risk and market risk of investment		

^ Figures being less than Rs. 50,000 in each case has not been disclosed.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

7. NON- CURRENT TRADE RECEIVABLES (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, Considered good	1.46	1.81
Trade Receivables	**1.46**	**1.81**

8. NON- CURRENT LOANS AND DEPOSITS (AT AMORTISED COST)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
(i)	**Unsecured, considered good**		
a)	Loans to employees	0.30	0.22
b)	Loans and advances to others	0.01	0.02
c)	Deposits	23.38	25.86
(ii)	**Unsecured, considered doubtful**		
a)	Deposits	1.03	1.03
b)	Loans to employees	-	0.03
		24.72	**27.16**
	Less :- Allowances for doubtful loans and deposits	1.03	1.06
		23.69	**26.10**

9. OTHER NON-CURRENT ASSETS

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
(i)	**Unsecured, considered good**		
a)	Capital advances	54.00	50.75
b)	Prepaid expenses	33.14	9.80
c)	Balances and deposit with Government Authorities	26.93	41.62
d)	Other Receivables	-	0.14
(ii)	**Unsecured, considered doubtful**		
a)	Advances recoverable in cash or kind	1.99	1.89
b)	Balances and deposit with Government Authorities	14.66	5.04
		130.72	**109.24**
	Less :- Provision for doubtful deposits and advances	16.65	6.93
		114.07	**102.31**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

10. INVENTORIES

(Rs. in Crores)

		March 31, 2018		March 31, 2017	
(At Lower of cost and net realisable value)					
a)	Stores,spare parts, loose tools etc		36.81		31.50
b)	Raw materials and components [Including in transit/ lying in bonded warehouse Rs. 94.49 crs (PY: Rs. 81.78 crs)		559.68		434.44
c)	Work-in-Progress		524.94		504.77
d)	Finished Goods	846.25		590.86	
	Add: Excise Duty	-	846.25	109.86	700.72
e)	Stock-in-trade		37.17		30.58
			2,004.85		**1,702.01**

I. The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss and Note 44.

II. The cost of inventories recognised as an expense includes Rs. 3.27 Crore (PY: Rs. 1.45 Crore) in respect of write downs of inventory.

11. INVESTMENTS OF LIFE INSURANCE BUSINESS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a. Investments held at Amortised Cost		
Policyholders' Investments (Quoted)		
Government securities and government guaranteed bonds including treasury bills	70.33	47.24
Debentures/ bonds	14.82	27.57
Investments in infrastructure and social sector bonds	16.38	21.17
Others (CBLO)	18.55	18.94
	120.08	**114.92**
b. Investments held at FVTOCI (Quoted)		
Policyholders' Investments		
Government securities and government guaranteed bonds including treasury bills	5.00	-
Debentures/ bonds	-	0.20
Investments in infrastructure and social sector bonds	-	6.31
Shareholders' investments		
Debentures/ bonds	-	11.54
Investments in infrastructure and social sector bonds	35.11	1.01
	40.11	**19.06**
c. Investments held at FVTPL		
Shareholders' investments (Quoted)		
Mutual funds	54.19	46.64
Policyholders' Investments (Quoted)		
Mutual funds	205.07	177.93

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

11. INVESTMENTS OF LIFE INSURANCE BUSINESS (CONTD.)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Assets held to cover linked liabilities (Quoted):		
Government securities and government guaranteed bonds including treasury bills	165.09	170.15
Debentures/ bonds	14.28	11.77
Investments in infrastructure and social sector bonds	39.37	29.31
Mutual funds	67.37	80.64
Others (CBLO)	13.90	4.35
Net current assets		
Bank balances	0.65	0.45
Interest and dividend accrued on Investment	15.32	17.69
Outstanding contract (net)	25.17	16.97
Other current assets	22.85	10.02
Other current liabilities	(36.41)	(21.60)
	586.85	**544.32**
	747.04	**678.30**
(i) Aggregate book value of quoted investments	719.46	654.77
(ii) Aggregate market value of quoted investments	718.32	655.93
(iii) Aggregate book value of unquoted investments	27.58	23.53

12. OTHER INVESTMENTS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Investments at FVTPL		
Units of mutual funds (Unquoted)	197.22	898.77
Units of mutual funds (Quoted)	10.03	10.03
	207.25	**908.80**
Aggregate amount of quoted investment and market value thereof	10.03	10.03
Aggregate amount of unquoted investment	197.22	898.77

13. TRADE RECEIVABLES (UNSECURED) (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Considered good	1,093.57	738.57
Considered doubtful	10.51	9.34
	1,104.08	**747.91**
Less: Allowances for doubtful receivables	10.51	9.34
	1,093.57	**738.57**

(Refer Note no 50 for Related Party disclosure)

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in Note 54.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

14. CASH AND BANK BALANCES

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Cash and Cash Equivalents		
a) Balances with banks on		
Current Account	167.03	200.93
Deposits	99.25	43.00
b) Cheques, drafts in hand	28.28	20.83
c) Cash in hand	14.04	50.22
	308.60	**314.98**

15. OTHER BANK BALANCES

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a) Unclaimed Dividend Account	8.68	8.38
b) Deposits*	0.18	0.17
	8.86	**8.55**

* Include Rs. 0.09 crore (PY : Rs. 0.09 crore) with commercial tax department (Govt. of J&K) as security under GST and Rs. 0.01 crore (PY : Rs. 0.08 crore) as margin money for Bank Guarantee.

16. LOANS AND DEPOSITS (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
a) Loans to employees	0.33	0.31
b) Deposits - Others	24.84	18.35
	25.17	**18.66**

17. OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
a) Other Receivables (rebates and discounts, etc.)	76.69	26.89
b) Income Accrued on Investments	232.75	208.25
c) Investments held to meet policyholders' dues	61.88	104.54
d) Claims Receivable	1.44	7.39
	372.76	**347.07**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

18. OTHER CURRENT ASSETS

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
Unsecured, considered good			
a)	Other receivables and advances *	49.84	59.95
b)	Balances and deposit with Government Authorities	246.48	49.50
c)	Prepaid expenses	24.79	8.90
Unsecured, considered doubtful			
a)	Advances recoverable in cash or kind	3.62	3.80
	Less: Provision	3.62	3.80
		321.11	**118.35**

* includes export incentive receivables.

19. SHARE CAPITAL

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	**Authorised**		
	1,00,00,00,000 (PY: 1,00,00,00,000) Equity Shares of Re. 1 each	100.00	100.00
		100.00	**100.00**
b)	**Issued, subscribed & fully paid-up**		
	85,00,00,000 (PY: 85,00,00,000) Equity Shares of Re. 1 each	85.00	85.00
		85.00	**85.00**
	There is no change in the number of shares in current year and last year		
c)	**Terms / rights attached to equity shares**		
	The company has only one class of Equity Shares having a Par Value of Re. 1 per share. Each Holder of Equity Shares is entitled to one Vote per share. The company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
	In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
d)	**Shares held by holding company**		
	Name of Shareholder	**Number of Shares**	
	Chloride Eastern Limited, UK (considered to be Holding company by virtue of de-facto control) 45.99% (PY:45.99%)	39,09,54,666	39,09,54,666
e)	**Details of shareholders holding more than 5% shares in Company**		
	Name of Shareholder	**Number of Shares**	
	Chloride Eastern Limited, UK holding 45.99 % (PY: 45.99 %)	39,09,54,666	39,09,54,666

As per records of the company, including its register of shareholders / members and other declaration received from shareholders, the above shareholding represents legal ownership of shares.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

20. OTHER EQUITY

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a) Securities Premium Account	737.88	737.88
Premium received on equity shares issued are recognised in the securities premium account		
b) Contingency Reserve	25.00	25.00
The Contingency reserve is created to set aside funds for meeting contingencies and claims		
c) Retained earnings	4,500.37	4,056.94
Retained earnings includes General reserves, Surplus in Statement of Profit and Loss, Impact of Ind-AS adjustments on the date of transition and revaluation reserve.		
d) Foreign Currency Translation Reserve (FCTR)	(0.26)	(2.92)
Exchange differences on translating the financial statements of foreign operations		
e) Capital Redemption Reserve	0.80	0.80
Espex has created the reserve on account of buy back of its shares from minority shareholders		
f) Capital Reserve	2.89	2.89
Capital Reserve created on consolidation		
g) Items of Other Comprehensive Income		
- Remeasurements of defined benefit plans	(8.57)	(9.32)
Remeasurement gains/losses recorded in other comprehensive income		
- Fair value of Equity instruments through OCI	109.66	72.94
Changes in fair value of equity instruments recorded in other comprehensive income		
- Fair value of Debt instruments through OCI	(23.59)	62.92
Changes in fair value of debt instruments recorded in other comprehensive income		
	5,344.18	**4,947.13**

21. NON-CONTROLLING INTEREST

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance of equity as on acquisition date	3.75	3.75
Add: Movement in equity from acquisition date to Balance sheet date	14.34	12.01
	18.09	**15.76**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

22. BORROWINGS (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Non-Current Portion		
Term loan from SCB Bank Ltd (secured) *	1.68	-
Bank Loans	6.92	-
Others	0.30	0.78
	8.90	**0.78**
Current Maturities		
Term loan from HSBC Bank Ltd (secured) #	-	1.16
Others	0.48	0.60
	0.48	**1.76**
Less : Amount disclosed under the head "Other Current Financial liabilities" (note 31)	**0.48**	**1.76**
	-	**-**

* Secured by hypothecation of the Plant & Machinery, Land & Building, Inventories and Trade debtors of ABML. Repayable in 36 months.
# Secured by hypothecation of the Plant & Machinery, Land & Building, Inventories and Trade debtors of ABML. Repayable in 36 months from the date of loan at the interest rate of 7.13%.

23. NON-CURRENT TRADE PAYABLES (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a) Trade payables #	4.36	3.73
b) Payables for expenses	0.37	0.43
	4.73	**4.16**

represents total dues of payables other than Micro and Small enterprises. Also refer note 49

24. OTHER NON-CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Payables for Capital Goods	2.62	2.07
	2.62	**2.07**

25. NON CURRENT PROVISIONS

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Provision for employee benefits (refer note 47)		
Post retirement medical benefits	4.45	4.87
Gratuity	11.41	11.02
Pension	3.52	3.17
Leave benefits	33.24	28.93
Others		
Rent equalization	3.09	3.46
Provision for site restoration liabilities	1.25	1.13
	56.96	**52.58**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

25. NON CURRENT PROVISIONS (CONTD.)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Provisions for site restoration		
A provision is recognised for site restoration liabilities on leasehold lands taken by the Company:		
Opening Balance	1.13	1.03
Add: Interest accrued on the provision during the year	0.12	0.10
Closing Balance	**1.25**	**1.13**
Provisions for rent equalization		
The Group has recognised rent equalisation liabilities for the properties taken on rent. The movement of non-current provisions (in note above) and current provisions (in note 33) is as follows:		
Opening Balance	3.75	3.90
Add: Provision created during the year	-	-
Less: Utilised during the year	0.58	0.15
Closing Balance	**3.17**	**3.75**

26. INSURANCE CONTRACT LIABILITIES

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Policy liabilities		
Insurance contracts liabilities*		
Par	5,228.47	4,355.43
Non par	1,918.35	1,564.44
Annuity	47.56	40.05
VIP Non Par Pension	823.41	710.03
Provision for linked liabilities	1,629.57	1,709.55
Fair value change (linked)	140.81	208.38
Non-unit liabilities	10.91	10.94
	9,799.08	**8,598.82**

* For Movement of Policyholders' Funds, Funds for Discontinued Policies, Funds for Future Appropriation and Embedded Derivative liability - refer Note 57.

27. INVESTMENT CONTRACT LIABILITIES**

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Pension	861.10	877.46
VIP Non Par Pension	20.91	27.70
Linked	217.56	223.09
	1,099.57	**1,128.25**

**For Movement of Investment Contracts Liabilities - refer Note 58.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

28. DEFERRED TAX LIABILITY (NET)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Deferred tax liabilities	196.22	203.10
b)	Deferred tax assets	55.33	47.03
		140.89	**156.07**

Movement in deferred tax (liabilities) / assets balances:

(Rs. in Crores)

2017-18	April 01, 2017	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	Effect of foreign exchange	March 31, 2018
Deferred tax liabilities:					
Arising out of temporary difference in depreciable assets	(152.69)	(32.64)	-	0.83	(184.50)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(49.84)	38.56	-	0.05	(11.23)
Unrealised gain on investment in equity shares carried at FVTOCI	(0.57)	-	0.08	-	(0.49)
Deferred tax assets:					
On expenses allowable against taxable income in future years	24.78	20.28	(0.53)	(0.21)	44.32
On unabsorbed depreciation and business loss	9.45	0.54	-	(0.04)	9.95
Expenses disallowed in earlier assessments which are being contested	12.80	(11.74)	-	-	1.06
	(156.07)	**15.00**	**(0.45)**	**0.63**	**(140.89)**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Movement in deferred tax (liabilities) / assets balances: (Contd.)

(Rs. in Crores)

2016-17	April 01, 2016	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	Effect of foreign exchange	March 31, 2017
Deferred tax liabilities:					
Arising out of temporary difference in depreciable assets	(132.61)	(19.09)	-	(0.99)	(152.69)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(38.00)	(11.52)	-	(0.32)	(49.84)
Unrealised gain on investment in equity shares carried at FVTOCI	(0.57)	-	-	-	(0.57)
Deferred tax assets:					
On expenses allowable against taxable income in future years	23.50	(0.04)	1.16	0.16	24.78
On unabsorbed depreciation and business loss	4.69	4.70	-	0.06	9.45
Expenses disallowed in earlier assessments which are being contested	10.52	2.20	-	0.08	12.80
	(132.47)	**(23.75)**	**1.16**	**(1.01)**	**(156.07)**

Reconciliation of statutory rate of tax and effective rate of tax:

Particulars	March 31, 2018	March 31, 2017
Tax rate as a % of PBT	33.76	26.72
Adjustments:		
Non-deductible expenses for tax purposes	(1.00)	(1.37)
Income exempt for tax purposes	1.23	2.35
Various allowances claimed under Income Tax Act, 1961	0.48	2.72
Utilisation of previously unrecognised tax losses	-	0.85
Impact of lower tax rates of Indian/Foreign jurisdiction	0.24	1.95
Tax impact of earlier years	0.03	1.39
Others	(0.13)	-
At India's statutory income tax rate of 34.61% (PY: 34.61%)	**34.61**	**34.61**

ELI has recognised deferred tax asset of Rs. 6.65 crs (PY : 6.45 crs) on accumulated losses and unabsorbed depreciation based on future projections of availability of sufficient taxable profits.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

29. BORROWINGS (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
From Banks (Secured)		
Buyer's Credit	-	84.77
Bank Overdraft	39.32	5.59
Import loan from DFCC Bank PLC	10.08	5.54
Import loan from HSBC Bank	0.93	-
Trade Bills Financing	-	2.74
From Banks (Unsecured)		
Buyer's Credit (repayable in 6 months)	-	85.46
	50.33	**184.10**

Buyer's credit

i. Includes Nil (PY: Rs. 84.77 crs) secured by hypothecation of stocks and book debts, both present and future of EIL and repayable in 6 months, carries interest in the range of 1.5% to 2.1%.

ii. Includes Nil (PY: Rs. 85.46 crs) of EIL repayable in 6 months, carries interest in the range of 1.5% to 2.1%.

iii. Includes Rs. 24.23 crs (PY: Nil) of CML, secured by creating primary charge on stock and book debts.

Trade bills financing

Nil (PY: Rs. 2.74 crs) of CBSEA bearing interest at 2.00 % per annum over the bank's prevailing commercial bill rate which ranges from 3.0% to 3.5% per annum. The above amount is secured by the following:

i. An all monies mortgage over the property

ii. An all monies debenture over all present and future assets incorporating fixed and floating charge over the present and future assets of the company.

Bank overdraft

i. Includes Rs. 7.68 crs (PY: Rs. 1.16 crs) of CPSSL secured by hypothecation of raw materials , finished stock, work-in-progress, book debts and other receivables.

ii. Includes Rs. 6.91 crs (PY: Rs. 4.43 crs) of ABML secured by hypothecation of plant and machinery.

iii. includes Rs. 24.43 crs (PY: Rs. Nil) of CML, secured by creating primary charge on stock and book debts.

Import Loan

Secured by hypothecation of the Plant & Machinery, Land & Building, Inventories and Trade debtors of ABML. Repayable in 12 months from the date of loan at the interest rate of 11.5%.

30. TRADE PAYABLES (AT AMORTISED COST)

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
a) Trade payable for goods & services		
Total outstanding dues of Micro and Small Enterprises (refer note no. 49)	10.67	20.20
Total outstanding dues of creditors other than Micro and Small Enterprises	1,368.28	1,088.33
b) Acceptances	140.44	107.33
	1,519.39	**1,215.86**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Refer note 54 for information about liquidity risk and market risk related to trade payables.
Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms.
For terms and conditions with related parties, refer to Note 50.

31. OTHER CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Current maturities of long term debt	0.48	1.76
b)	Interest accrued but not due on borrowings :	-	0.55
c)	Unclaimed dividends (to be credited to Investor Education and Protection Fund as and when due)	7.37	8.38
d)	Derivatives liability	-	0.70
e)	Other payables -		
	For Selling and distribution costs	177.09	122.00
	For Capital Goods	81.57	98.67
	For Other Expenses (includes policy deposits and last day units (net)) *	176.43	170.58
	* includes employee related payments	**442.94**	**402.64**

i. There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as March 31, 2018.

ii. Other payables for selling and distribution costs represents outstanding liabilities for incentives and trade schemes, etc.

32. OTHER CURRENT LIABILITIES

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Taxes and duties payable	125.48	68.88
b)	Advances from customers	33.15	24.32
c)	Other payables - For deferred revenue*	62.32	54.97
		220.95	**148.17**

*Other payables for deferred revenue relates to loyalty credit points granted to the customers as part of sales transactions and has been estimated with reference to the fair value of the products for which they could be redeemed.

33. CURRENT PROVISIONS

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
a)	Provision for employee benefits (refer note 47)		
	Post retirement medical benefits	0.41	0.45
	Leave benefits	4.94	5.33
	Gratuity	2.37	0.34
b)	Others		
	Provision for rent equalization	0.08	0.29
	Provision for Warranty Claims	179.48	180.98
	Provision for litigations and tax disputes	54.19	39.89
		241.47	**227.28**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Provisions for warranties

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. The table below gives information about movement in warranty provision:

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Opening Balance	180.98	166.05
Add: Provision created during the year	192.56	202.24
Less: Utilised against warranty claims during the year	194.17	187.18
Effect of foreign exchange	0.11	(0.13)
Closing Balance	**179.48**	**180.98**

Provisions for litigations and tax disputes

The Group has estimated the provisions for pending litigation, claims and demands relating to indirect taxes based on its assessment of probability for these demands crystallising against the Group in due course:

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Opening Balance	39.89	31.98
Add: Provision created during the year	14.30	7.91
Closing Balance	**54.19**	**39.89**

34. INSURANCE CONTRACT LIABILITIES

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
Policy liabilities		
Insurance contracts liabilities*		
Par	452.96	321.83
Non par	110.62	94.25
VIP Non Par Pension	0.79	-
Provision for linked liabilities	12.54	9.83
	576.91	**425.91**

*For Movement of Policyholders' Funds, Funds for Discontinued Policies, Funds for Future Appropriation and Embedded Derivative liability - refer Note 57.

35. INVESTMENT CONTRACT LIABILITIES**

(Rs. in Crores)

Particulars	March 31, 2018	March 31, 2017
VIP Non Par Pension	-	0.48
Linked	-	1.17
	-	**1.65**

**For Movement of Investment Contracts Liabilities - refer Note 58.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

36. REVENUE FROM OPERATIONS

(Rs. in Crores)

Particulars	2017-18	2016-17
Sale of products (including excise duty)	9,744.18	8,781.93
Sale of services (related to life insurance business)-		
Life Insurance premium (net of premium ceded on re-insurers on Insurance contract)	2,383.28	2,273.82
Other operating income related to life insurance business		
Net realised gains and losses	288.42	283.99
Investment income	704.25	663.00
Gain / (loss) on fair value of financial assets	(67.56)	122.76
Other operating income		
Scrap sales	16.78	12.76
Income from Service / Installation	5.24	4.65
Export incentive	8.19	7.31
	13,082.78	**12,150.22**

(i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax, GST, etc.

(ii) Sale of goods includes excise duty collected from customers of Rs. 274.70 crs (PY: Rs. 971.59 crs).

(iii) Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations are disclosed net of GST. Accordingly, the revenue from operations for year ended March 31, 2018 are not comparable with the previous years figure.

37. OTHER INCOME

(Rs. in Crores)

Particulars	2017-18	2016-17
Interest Income on:		
Financial Assets carried at amortised cost	0.67	0.64
Others including Income Tax refund	0.24	10.44
Dividend Income on current investments	24.15	57.98
Other non-operating income		
Gain on fair value of investments in mutual fund units	0.50	0.75
Net foreign exchange gain	16.84	9.88
Others	25.25	23.02
	67.65	**102.71**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

38. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(Rs. in Crores)

Particulars	2017-18	2016-17
Opening Stock	434.44	306.43
Add: Purchases	6,212.18	5,124.91
	6,646.62	**5,431.34**
Less: Closing Stock	559.68	434.44
	6,086.94	**4,996.90**

Cost of material consumed includes net proceeds from scrap batteries

39. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Rs. in Crores)

Particulars	2017-18	2016-17
Opening Stock		
Work-in-progress	504.77	409.77
Finished goods	590.86	409.35
Stock-in-trade	30.58	12.56
	1,126.21	**831.68**
Closing Stock		
Work-in-progress	524.94	504.77
Finished goods	846.25	590.86
Stock-in-trade	37.17	30.58
	1,408.36	**1,126.21**
Increase / (Decrease) in Excise Duty on Finished Goods	(109.86)	29.16
	(172.29)	**(323.69)**

40. EMPLOYEE BENEFIT EXPENSES

(Rs. in Crores)

Particulars	2017-18	2016-17
Salaries, wages and bonus	832.26	769.37
Contribution to provident and other funds (Refer Note 47)	52.29	35.38
Staff welfare expenses	77.54	62.95
	962.09	**867.70**

41. CHANGE IN VALUATION OF LIABILITY IN RESPECT OF LIFE INSURANCE POLICIES IN FORCE

(Rs. in Crores)

Particulars	2017-18	2016-17
Change in valuation of liability in respect of life insurance policies in force	1,320.13	1,538.17
Surplus/(deficit) in par and unit linked funds adjusted from existing surplus	56.74	34.46
Release from funds for future appropriation	(26.79)	(22.92)
	1,350.08	**1,549.71**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

42. FINANCE COSTS

(Rs. in Crores)

Particulars	2017-18	2016-17
Interest expenses	105.08	145.97
Exchange difference to the extent considered as an adjustment to borrowing cost	0.57	0.32
	105.65	**146.29**

43. DEPRECIATION AND AMORTISATION

(Rs. in Crores)

Particulars	2017-18	2016-17
Depreciation of Property, Plant & Equipment	255.64	212.60
Amortisation of intangible assets	11.57	9.44
	267.21	**222.04**

Impairment of Goodwill amounts to - NIL (PY: 3.89 crs) as explained in Note no. 3.

44. OTHER EXPENSES

(Rs. in Crores)

Particulars	2017-18	2016-17
Stores and spare parts consumed	85.12	77.18
Power and fuel	332.01	293.57
Battery Charging / Battery assembly expenses	107.63	123.77
Repairs and maintenance		
Buildings	10.81	11.35
Plant & machinery	61.85	52.41
Others	23.11	22.13
Rent & Hire Charges (Refer Note 60)	74.55	67.14
Rates and taxes	32.58	19.07
Insurance	7.53	8.56
Commission	149.26	167.76
Royalty and Technical Aid Fees	43.50	37.29
Benefit paid to Life insurance policyholders	1,032.02	765.40
Warranty expenses	189.74	205.65
Publicity and Sales Promotion	251.84	250.41
Freight & Forwarding (net)	265.66	221.50
After Sales Services	56.87	57.43
C & F Expenses	30.57	27.31
Travelling & Conveyance	57.55	54.69
Bank Charges	8.66	6.54
Communication Costs	11.33	13.67
Donations	0.04	0.02
Directors' Sitting Fees	0.25	0.31
Loss on Fixed assets sold/discarded (net)	4.86	0.49
Provision for doubtful loans and advances	0.21	0.09
Miscellaneous expenses (refer Note 44.1)	166.87	152.94
	3,004.42	**2,636.68**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

44.1. Miscellaneous Expenses

(Rs. in Crores)

Particulars	2017-18	2016-17
Motor Vehicle Running Expenses	6.70	6.56
Consultancy & Services outsourced	85.76	80.17
Security Service Charges	10.83	11.09
General Expenses	6.82	9.25
Legal Expenses	7.39	5.85
Printing & Stationery	9.11	9.24
Total Quality Management Expenses	0.77	0.41
Corporate Social Responsibility expenses	20.60	14.56
Pollution Control Expenses	9.32	6.14
Testing Charges	1.02	1.82
Liquidated Damages	2.14	5.43
Battery Erection / Installation Costs	6.41	2.42
	166.87	**152.94**

The Company has spent Rs. 20.60 crs (PY Rs. 14.56 crs) towards various schemes of Corporate Social Responsibility as prescribed under Sec 135 of the Companies Act, 2013. the details are:

I. Gross amount required to be spent by the Company during the year Rs.19.92 crs (PY Rs. 17.74 crs)

II. Amount spent during the year on:

(Rs. in Crores)

Particulars	2017-18	2016-17
i) Construction/Acquisition of any asset	-	-
ii) For purposes other than (i) above	20.60	14.56
	20.60	**14.56**

45. EARNINGS PER SHARE (EPS)

(Rs. in Crores)

Particulars	2017-18	2016-17
Details for calculation of basic and diluted earning per share:		
Profit for the year attributable to owners of the Company	690.96	804.94
Weighted average number of equity share (Numbers)	85.00	85.00
Basic and diluted earning per share (Rs.)	8.13	9.47

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

46. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and reviewed at each balance sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

(a) Employee benefit plans

The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer to Note 47.

(b) Fair value measurement of investments

The fair value of unquoted investments are determined using valuation methods which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 53.

(c) Deferral of Revenue (customer's incentive scheme)

The Company estimates the fair value of points awarded to its sales agents under incentive schemes, based on past trends of similar incentive schemes and by applying a budgeted incentive payout rate. Inputs include assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. As at March 31, 2018, the estimated liability towards unredeemed points amounted to approximately Rs. 62.32 crs (PY Rs. 54.97 crs).

(d) Warranty

The Company estimates the provision for warranty based on past trend of actual issues of batteries under warranty. As at March 31, 2018, the estimated liability towards warranty amounted to approximately Rs. 179.48 crs (PY Rs. 180.98 crs)

The provision towards warranty is not discounted as the management, based on past trend, expects to use the provision within twelve months after the Balance Sheet date.

(e) Liability for policies related to life insurance business

Liability for policies in force and for policies in respect of which premium has been discontinued but liability exists, are determined using actuarial valuation which involves making various assumptions like interest rates, mortality, morbidity etc. that may differ from actual developments in the future. For further details refer note 51.

(f) Provision for litigations and tax disputes

The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 33.

47. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance Group.

The Group provides certain post-retirement medical benefits (PRMB) to the employees qualifying for such benefits under the scheme upto March 31, 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.

The Group has a Pension plan, a part of the liability whereof upto March 31, 2003 , for employees as on that date is in the nature of a defined benefit plan. From April 1, 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance Group.

The Group also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Rs. in Crores

		For the year ended March 31, 2018			For the year ended March 31, 2017		
		GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
		Plan (Benefit)			Plan (Benefit)		
I.	**Expenses recognised in the Statement of Profit & Loss**						
1.	Current / Past Service Cost	10.70	-	0.04	7.52	-	0.07
2.	Interest Cost	6.64	0.30	0.37	6.44	0.38	0.34
3.	Expected Return on plan assets	(6.26)	(0.07)	-	(6.16)	(0.16)	-
4.	Past Service Cost - Plan Amendments	3.68	-	-	-	-	-
5.	Total	14.76	0.23	0.41	7.80	0.22	0.41
	Expenses recognised in OCI						
6.	Actuarial (Gains) / Losses	(0.58)	(0.05)	(0.65)	4.09	(0.49)	0.49
7.	Total Expense	14.18	0.18	(0.24)	11.89	(0.27)	0.90
II.	**Net Asset / (Liability) recognised in the Balance Sheet**						
1.	Present Value of Defined Benefit Obligation	112.65	4.43	4.86	98.36	4.41	5.33
2.	Fair Value of Plan Assets	98.87	0.91	-	88.40	1.23	-
3.	Net Asset / (Liability)	(13.78)	(3.52)	(4.86)	(9.96)	(3.18)	(5.33)
III.	**Change in Obligation during the year**						
1.	Present Value of Defined Benefit Obligation at the beginning of the year	98.37	4.41	5.33	90.92	5.42	4.65
2.	Current Service Cost / Plan amendments	14.38	-	0.04	7.52	-	0.07
3.	Interest Cost	6.64	0.30	0.37	6.48	0.38	0.34
4.	Benefits Paid	(7.27)	(0.26)	(0.23)	(9.84)	(0.86)	(0.22)
5.	Actuarial (Gains) / Losses						
	Arising from changes in experience	0.71	(0.02)	(0.86)	0.07	(0.58)	0.28
	Arising from changes in demographic assumptions	-	-	0.21	0.05	-	-
	Arising from changes in financial assumptions	(0.18)	-	-	3.16	0.05	0.21
	Total	0.53	(0.02)	(0.65)	3.28	(0.53)	0.49
6.	Present Value of Defined Benefit Obligation at the end of the year	112.65	4.43	4.86	98.37	4.41	5.33
IV.	**Change in the Fair Value of Plan Assets during the year**						
1.	Plan assets at the beginning of the year	88.41	1.23	-	83.15	3.02	-
2.	Expected return on plan assets	6.26	0.07	-	6.16	0.16	-
3.	Contribution by employer	10.35	-	-	9.72	-	-
4.	Transfers	-	(0.18)		-	(1.04)	-
5.	Actual Benefits Paid	(7.26)	(0.26)	-	(9.80)	(0.86)	-
6.	Actuarial Gains / (Losses)	1.11	0.05	-	(0.82)	(0.05)	-
7.	Plan assets at the end of the year	98.87	0.91	-	88.41	1.23	-
8.	Actual return on Plan Assets	7.37	0.12	-	5.34	0.11	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

Rs. in Crores

	For the year ended March 31, 2018			For the year ended March 31, 2017		
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)		
V. The major categories of plan assets as a percentage of the fair value of total plan assets						
Investments with insurer	100%	100%	-	100%	100%	-
VI. Maturity profile of the defined benefit obligation						
Weighted average duration of the defined benefit obligation	5-11years	4 years	9 years	3-10years	3 years	3 years
Expected benefit payments for the year ending						
Not later than 1 year	10.69	0.87	0.41	11.65	2.23	0.45
Later than 1 year and not later than 5 years	42.68	2.71	1.71	38.44	1.37	1.93
More than 5 years	66.91	1.54	2.05	63.62	1.29	2.39

VII. Actuarial Assumptions

1.	Discount Rate	7 - 7.3% p.a (March 31, 2017: 7 - 7.1% p.a.)
2.	Expected rate of return on plan assets	7 - 9% p.a (March 31, 2017: 7 - 9% p.a.)
3.	Mortality pre retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult. CPSSL: Standard Table LIC (1994-96) Ultimate
4.	Mortality post retirement	LIC (1996-98) Ultimate
5.	Employee Turnover Rate	2.00%

VIII. In 2018-19 EIL expects to contribute Rs. 9.00 crs (2017-18: Rs. 8 crs) to gratuity and Rs. 3.50 crs (2017-18: Rs. 4 crs) to Pension.

In 2018-19 CPSSL expects to contribute Rs. 0.27 crs for the defined benefit obligation.

In 2018-19 ELI expects to contribute Rs. 2.00 crs for the defined benefit obligation.

IX. Healthcare cost trend rates have no effect on the amounts recognised in the Statement of Profit and Loss, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change.

X. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

XI. EIL: Contribution to Provident and Other Funds includes Rs. 23.29 crs (2016-17 - Rs. 23.38 crs) paid towards Defined Contribution Plans.

CPSSL - Contribution to Provident and Other Funds includes Rs. 0.49 Crs (Rs. 0.44 Crs) paid towards Defined Contribution Plans.

ELI - Contribution to Provident and Other Funds includes Rs. 11.43 Crs (Rs. 11.99 Crs) paid towards Defined Contribution Plans.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

(Rs. in Crores)

	Particulars	Year ended March 2018	Year ended March 2017
XII.	**Amounts for the current and previous two periods are as follows:**		
1.	**Gratuity**		
	Defined Benefit Obligation	112.65	98.37
	Plan Assets	98.87	88.40
	Surplus / (deficit)	(13.78)	(9.96)
	Experience (Gain) / loss adjustments on plan liabilities	0.71	0.07
	Experience Gain / (loss) adjustments on plan assets	1.11	(0.82)
2.	**Pension**		
	Defined Benefit Obligation	4.43	4.41
	Plan Assets	0.91	1.23
	Surplus / (deficit)	(3.52)	(3.18)
	Experience (Gain) / loss adjustments on plan liabilities	(0.02)	0.58
	Experience Gain / (loss) adjustments on plan assets	0.05	(0.05)
3.	**Post Retirement Medical Benefit**		
	Defined Benefit Obligation	4.86	5.33
	Experience (Gain) / loss adjustments on plan liabilities	(0.86)	0.28

XIII. The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

(Rs. in Crores)

	March 31, 2018		March 31, 2017	
Assumptions	Discount rate (a)		Discount rate (a)	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity liability	(7.69)	9.06	(6.97)	7.96
Assumptions	Future salary increases (b)		Future salary increases (b)	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity liability	8.72	(7.60)	6.84	(6.35)

(a) Based on interest rates of government bonds
(b) Based on management estimate

48. COMMITMENTS AND CONTINGENCIES

(Rs. in Crores)

Particulars		March 31, 2018	March 31, 2017
(i)	**Capital and other commitments**		
	Commitment for acquisition of fixed assets	510.57	393.34
	Commitment for investment	30.64	31.27
	Commitment for contractual obligation	-	-
	Purchase orders backed by LC opened by bankers	194.52	105.07
		735.73	**529.68**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

(Rs. in Crores)

		March 31, 2018	March 31, 2017
(ii)	**Contingent Liabilities**		
	Guarantees excluding financial guarantees		
	Outstanding Bank Guarantees / Indemnity Bonds	50.31	32.52
	Partly paid up investments (on account of right issue of Tata Steel)	2.90	-
	Claims against the Group not acknowledged as debt		
	Sales Tax demands	49.87	34.59
	Excise Duty demands (Refer Note (i))	38.67	36.82
	Statutory demands / liabilities in disputes relating to insurance business, not provided for	299.79	282.15
	Income Tax demands	11.20	17.85
	Other claims being disputed by the Group	-	0.44
	Contractual Obligation related to insurance business		
	Policy claims under dispute	17.96	18.74
	Claim under Arbitration (Refer Note (ii))	46.77	37.57
	Claim from a landlord , an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
		517.47	**460.68**

(i) Includes a Demand of Rs. 32.60 crs plus penalties, as applicable, on EIL for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries.The Company has contested applicability of The Standards of Weights & Measures Act,1976 and Rules thereunder, the applicability of which is still to be adjudicated by the Hon'ble Supreme Court. Meanwhile , Company has been granted a stay on this Excise Duty demand by CESTAT, Kolkata.

(ii) Kotak Mahindra Bank (erstwhile ING Bank Ltd) has invoked Arbitration proceedings against the Company as per the Corporate Agency Agreement for payment of renewal commission post termination of agency agreement by them. The Company has maintained that as per law, no renewal commission is payable to Kotak Mahindra Bank (Erstwhile ING Vysya Bank Ltd) since the Corporate Agency was terminated by Kotak Mahindra Bank itself and on account of Kotak Mahindra Bank becoming the corporate agent of Kotak Mahindra Old Mutual Life Insurance Ltd, post issuance of NOC by the Company. The Company's stance is supported by opinions from reputed firm of Advocates and Solicitors. The disputed amount for the period beginning 01.12.2014 to 31.03.2018 is Rs. 46.77 crs.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

49. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

(Rs. In crores)

	2017-18	2016-17
Principal and interest amount remaining unpaid		
- Principal	10.67	20.20
- Interest	0.01	0.01
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.01	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductable expenditure under the MSMED Act, 2006.	0.14	0.13

50. RELATED PARTY DISCLOSURE:

i) Particulars of related parties :	
A. Where control exists	
1. Enterprise / Individuals having a direct or indirect control over the Group	Chloride Eastern Limited, UK. (CEL)
	Chloride Eastern Industries Pte Limited, Singapore (CEIL)
	LIEC Holdings SA , Switzerland
	Mr. S. B. Raheja
B. Others	
1. Key Management Personnel (As on March 31, 2018)	Mr G Chatterjee , Director, EIL, CML, CIL, Espex & CBSEA
	Mr A K Mukherjee , Director, EIL, CML, CPSSL, CIL, ELI, ABML, Espex & CBSEA
	Mr Subir Chakraborty , Director, EIL, CIL, CPSSL, CML & ABML
	Mr Arun Mittal , Director, EIL, Espex, CPSSL, CML & CBSEA
	Mr. Bharat D. Shah , Director, EIL
	Mr.R.B.Raheja , Director, EIL
	Mr.Nawshir H. Mirza , Director, EIL
	Mr. Vijay Agarwal , Director, EIL
	Mr. Sudhir Chand , Director, EIL
	Ms. Mona N. Desai , Director, EIL
	Mr Surin S Kapadia ,Director(w.e.f. October 25, 2017), EIL
	Mr Jitendra Kumar , Company Secretary, EIL
	Mr. U.B. Agarwal , Whole Time Director, CML
	Mr. Kshitij Jain, Managing Director & Chief Executive Officer, ELI
	Mr. Anil Kumar C, Chief Financial Officer, ELI
	Mr. Rangarajan B N, Appointed Actuary & CRO, ELI

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

50. RELATED PARTY DISCLOSURE: (CONTD.)

1. Key Management Personnel (As on March 31, 2018)	Mr R Mahesh Kumar (Resigned w.e.f. November 20, 2017), ELI
	Mr Manas Ranjan Panda , Company Secretary (w.e.f. February 9, 2018), ELI
	Mr. A. Ghoshal, Director, Espex
	Mrs L. Farmer, Director, Espex
	Mr. Jahar Sengupta, CPSSL
	Mr. M Ramchandran, Director, ABML
	Mr. Arnab Saha, Director, ABML
	Mr. Ishara C Nanayakkara, Director, ABML
	Mr. Winston Wong, Director, CBSEA
	Mr. Freddy Tan Teng Shah, Director, CBSEA
	Mr Danny Yap , Company Secretary, CBSEA
	Mr. Sudipta Chakraborty, Director, CIL
2. Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year	
	Shalini Construction Company Private Limited
	Peninsula Estates Private Limited
	Raheja QBE General Insurance Company Limited
	Klevenberg (Pvt) limited
	Browns Thermal Engineering (Pvt) Limited
	Development Credit Bank Limited
	Asianet Satellite Communication Private Limited
	Hathway Cable & Datacom Limited
	Prism Johnson Ltd (earlier Prism Cement Ltd.)
	Juhu Beach Resort Limited
	Sonata Software Limited
	Outlook Publishing (India) Private Limited
	Hathway Investment Pvt Ltd
	Brown & Company PLC
	SFL Services Pvt Ltd.
3 . Employees Trusts where there is significant influence	The Chloride Officers' Provident Fund (COPF) Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

ii) Details of transactions entered into with the related parties:

(Rs. in crores)

	Enterprise/ Individuals having direct or indirect control	Key Management Personnel (KMP)	Companies / firms / in which Directors / KMP have significant influence	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Purchases of goods					
- Brown & company PLC	-	-	1.15	-	1.15
	-	-	(1.01)	-	(1.01)
- Klevenberg (Pvt) Limited	-	-	0.89	-	0.89
	-	-	(0.71)	-	(0.71)
- Browns Thermal Engineering (Pvt) Limited	-	-	4.53	-	4.53
	-	-	(4.46)	-	(4.46)
Sale of goods					
- Brown & company PLC	-	-	124.31	-	124.31
	-	-	(103.98)	-	(103.98)
- Klevenberg (Pvt) Limited	-	-	30.50	-	30.50
	-	-	(22.04)	-	(22.04)
- Browns Thermal Engineering (Pvt) Limited	-	-	0.43	-	0.43
	-	-	(0.46)	-	(0.46)
Technical Assistance Expenses					
- CEIL	0.12	-	-	-	0.12
	(0.12)	-	-	-	(0.12)
Trade Mark Expenses					
- CEIL	-	-	-	-	-
	(0.07)	-	-	-	(0.07)
Life insurance premium received					
- Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	1.30	-	1.30
	-	-	(3.80)	-	(3.80)
- Raheja QBE General Insurance Company Limited	-	-	0.03	-	0.03
	-	-	(0.02)	-	(0.02)
- Development Credit Bank Limited	-	-	-	-	-
	-	-	(0.35)	-	(0.35)
- Asianet Satellite Communication Private Limited	-	-	-	-	-
	-	-	(0.21)	-	(0.21)
- Hathway Cable & Datacom Limited	-	-	0.13	-	0.13
	-	-	(0.25)	-	(0.25)
- Juhu Beach Resort Limited	-	-	-	-	-
	-	-	(0.01)	-	(0.01)

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

ii) Details of transactions entered into with the related parties: (Contd.)

(Rs. in crores)

	Enterprise/ Individuals having direct or indirect control	Key Management Personnel (KMP)	Companies / firms / in which Directors / KMP have significant influence	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
- Sonata Software Limited	-	-	0.25	-	0.25
	-	-	(0.23)	-	(0.23)
- Outlook Publishing (India) Private Limited	-	-	0.01	-	0.01
	-	-	(0.01)	-	(0.01)
- Prism Johnson Limited	-	-	1.92	-	1.92
	-	-	(1.66)	-	(1.66)
- Key Management Personnel	-	0.15	-	-	0.15
	-	(0.13)	-	-	(0.13)
Benefits paid					
- Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	1.94	-	1.94
	-	-	(2.35)	-	(2.35)
- Hathway Cable & Datacom Limited	-	-	0.91	-	0.91
	-	-	(0.45)	-	(0.45)
- Development Credit Bank Limited	-	-	-	-	-
	-	-	(0.07)	-	(0.07)
- Asianet Satellite Communication Private Limited	-	-	-	-	-
	-	-	(0.15)	-	(0.15)
- Sonata Software Limited	-	-	0.75	-	0.75
	-	-	-	-	-
- Prism Johnson Limited	-	-	1.39	-	1.39
	-	-	(0.94)	-	(0.94)
- Outlook Publishing (India) Pvt Ltd	-	-	-	-	-
	-	-	(0.02)	-	(0.02)
Expenses incurred on behalf of the company					
- Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	-	-	-
	-	-	(0.01)	-	(0.01)
Contribution made to Gratuity & Provident Fund Trust					
- Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	-	1.30	1.30
	-	-	-	(3.80)	(3.80)
- The Chloride Officers' Provident Fund	-	-	-	18.22	18.22
	-	-	-	(16.38)	(16.38)

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

ii) Details of transactions entered into with the related parties: (Contd.)

(Rs. in crores)

	Enterprise/ Individuals having direct or indirect control	Key Management Personnel (KMP)	Companies / firms / in which Directors / KMP have significant influence	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Services provided by the Company - Premium Paid					
- Raheja QBE General Insurance Company Limited	-	-	0.04	-	0.04
	-	-	(0.04)	-	(0.04)
- Sonata Software Limited	-	-	4.50	-	4.50
	-	-	-	-	-
Dividend paid					
- Brown & Company PLC	-	-	0.74	-	-
	-	-	(1.82)	-	-
Rent and Maintenance Costs					
- Shalini Construction	-	-	0.54	-	0.54
	-	-	(0.52)	-	(0.52)
- Peninsula Estates	-	-	0.13	-	0.13
	-	-	(0.13)	-	(0.13)
Insurance Expenses					
- Raheja QBE General Insurance Company Limited	-	-	0.02	-	0.02
	-	-	(0.01)	-	(0.01)
Remuneration					
Short term employee benefits (including commission & sitting fees)	-	22.14	-	-	22.14
	-	(20.85)	-	-	(20.85)
Post Retirement Benefits	-	1.41	-	-	1.41
	-	(1.45)	-	-	(1.45)

Figures for the previous years are in bracket.

iii) Details of amounts due to or due from related parties as at March 31, 2018 and March 31, 2017 are as follows:

(Rs. in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables		
- Brown & company PLC	0.17	0.04
- Klevenberg (Pvt) Limited	0.11	0.01
- Browns Thermal Engineering (Pvt) Limited	0.61	0.74
Trade Receivables		
- Brown & company PLC	23.59	17.76
- Klevenberg (Pvt) Limited	5.86	3.55

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

(Rs. in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
- Browns Thermal Engineering (Pvt) Limited	0.26	0.11
Contribution to Employees Benefit Plans payable		
- The Chloride Officers' Provident Fund	1.53	1.34
Remuneration payable to Directors (Short term employee benefits)	6.01	5.94

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (PY: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

51. ACTUARIAL METHOD AND ASSUMPTIONS

Liability for policies in force ('the Liability') is determined by the Appointed Actuary in accordance with generally accepted actuarial practice as well as the requirements of the Insurance Act, 1938 and the regulations notified by IRDAI and relevant actuarial practice standards issued by Institute of Actuaries of India.

(a) Traditional individual business

The Liability on a policy is calculated using the 'Gross Premium Method', representing the present value of expected future outgo including benefits (including future bonuses for participating policies) and future expenses less present value of expected future premium. Further, a reserve for death claims that may have been Incurred but not yet reported to the Company (IBNR) is also maintained. The reserves for the Best Years Retirement Plan, Exide Life New Best Year Retirement Plan, Exide Life Golden Years and Exide Life Assured Return have been set up as the sum of the policy fund balances as at March 31, 2018 plus additional reserves for excess of expenses over policy charges.

The assumptions used for calculating the liability are provided below:

i. Mortality & morbidity:

Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate\ Annuitant tables a9698 and varies between 70% and 180% of the table (last year 70% and 180% of Indian Assured Lives Mortality Table (2006-08). Morbidity assumption is based on the CIBT 93 Table. For CI riders, mortality assumption is 60.8% (Last Year's 60.8%). For term products, mortality assumption varies between 33% - 100% of the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate (Last Year mortality assumptions for term products were 40% - 145% of the Indian Assured Lives Mortality Table (2006-08)).

ii. Expenses:

Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has been made at actual rates payable.

iii. Valuation discount rate:

Between 6.0% to 6.75% p.a. for all products (Last Year between 6.0% to 6.75% p.a. for all products)

Assumptions on future bonus rates for participating business have been set to be consistent with valuation interest rate assumptions.

iv. Lapses:

Future policy lapses have been assumed based on the type of policy and the duration for which the policy has been in force. The lapse rates are based on current experience of the Company.

v. Longevity:

Mortality for annuity products are considered as per Indian annuitant table 96-98 : 80% up

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

to age 80 & 70% thereafter of LIC a9698 with 1.3% p.a improvement.

Margins for adverse deviation

The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations and actuarial practice standards issued by The Institute of Actuaries of India.

(b) Linked individual business

The reserves held under the unit-linked products are the fund balances (unit reserve) as at March 31, 2018 plus non-unit reserves. Additional adjustments have also been made to allow for the following:

a) Unearned Premium Reserve in respect of mortality charge/rider charge deducted from the policyholder's account every month.

b) IBNR reserve for death claims incurred but not reported to Company as on the valuation date.

c) Reserve to meet the guarantees for unit linked products.

d) Non Unit reserves are calculated by discounting future non unit cash flow, determined based on assumptions given below:

i. **Mortality & Morbidity:**
Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate and is 100% of the table, (last year 100% of the table of Indian Assured Lives Mortality Table (2006-08)).

ii. **Expenses:**
Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has also been made at actual rates payable.

iii. **Valuation discount rate (for setting up of Non unit reserve):**
4.5% p.a. (last year 4.5% p.a.)

iv. **Unit growth rate:**
3.5% to 9.5% (last year 3.5% to 9.6%) depending on the type of fund.

v. **Longevity:**
Mortality for annuity products are considered as per Indian annuitant table 96-98 : 80% up to age 80 & 70% thereafter of LIC a9698 with 1.3% p.a improvement.

Margins for adverse deviation

The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations.

(c) Group business:

Unearned Premium method for reserving is adopted for the Group yearly renewable term product. The Group Single Premium Mortgage/Credit products have been valued using the Gross Premium Method with allowance for future expected expenses.

Provision for IBNR reserve has also been made as appropriate.

(d) Linked group business:

The reserves held under the unit-linked products are the fund balances and non-unit balance as at March 31, 2018.

(e) Reinsurance credit

All products other than Term/TROP products: The reinsurance credit is calculated on unearned premium basis, based on the expected reinsurance premium outgo.

Term/TROP products: Reinsurance credit is calculated based on cash-flow projections, by taking credit of expected reinsurance recoverables net of reinsurance premium payable in the future.

(f) Provision for freelook period

An additional reserve is held for policies that are expected to be cancelled during the Free Look period. The method used to estimate this reserve is given below:

a) A proportion of New Business Premium income during the period January 2018 to March 2018 is held as reserve.

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for the year ended March 31, 2018

b) The proportion is arrived on the basis of actual reserving strain due to free look cancellations at previous year.

The proportion is determined as: (Reserving strain from free look cancelled NB policies that are sold during January 2017 - March 2017) / (NB Premium Income for the period January 2017 - March 2017)

Expected number of free look cancellations is calculated on the basis of the past experience and it is assumed that the business sold three months prior to the valuation date has a potential for cancellation.

The proportion varies by line of business. Based on latest study, the proportion is in the range of 1.7%

Discontinued Fund (Unit Linked): As per the regulations, the fund value of lapsed policies is transferred to a separate fund namely, Discontinued Fund (UL), the returns for this funds are guaranteed as per Regulation 11 of IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010

Discontinued Fund (VIP Pension): As per the regulations, the fund value of lapsed policies is transferred to a separate fund namely, Discontinued Fund (Pension), the returns for this funds are guaranteed as per Regulation 11 of IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010.

51.1. Investments

a) The Company is maintaining separate funds for Shareholders and Policyholders as per section 11 (1B) of the Insurance Act, 1938. Investments and related incomes are segregated between Participating, Non-Participating, Unit Linked, VIP Non Par Pension, Annuity and Pension funds.

Investments are specifically purchased and held for the policyholders and shareholders independently. The income relating to these investments is recognized in the respective policyholders' / shareholders' account.

Investments are recorded at trade date on cost including acquisition charges (such as brokerage and related taxes), and exclude pre-acquisition interest paid, if any, on purchase.

b) The Company manages its business based on segments viz. Participating, Annuity, VIP Non Par Pension, Pension Individual, Non Participating, Unit Linked and Shareholders' Funds driving the business model test for investments. Accordingly, investments in each of these business have been analyzed as a portfolio and classifiied/ measured accordingly. The classification has been tabulated as under:

Segment Name	Type of Security	Revised classification under Ind AS
Par, VIP Non Par Pension, Pension Individual and Annuity	Debt securities	Amortized cost
	Equity securities	Fair value through OCI
	Mutual Funds	Fair value through profit and loss
Non Participating and Shareholders' funds	Debt securities	Fair value through OCI
	Equity securities	Fair value through profit and loss
	Mutual Funds	Fair value through profit and loss
Unit linked	All securities	Fair value through profit and loss

52. SEGMENT REPORTING

The Group's business has three operating segments based on different products and services: 'Storage Batteries & allied products', 'Solar Lantern & Homelights' and 'Life Insurance business'. Storage batteries & allied products and life insurance business are the only reportable segments. Non reportable segment is shown as others.

The products/services included in each of the reported business segments are as follows:

a) Storage batteries & allied products - The holding company and some of its subsidiaries manufactures lead acid storage batteries and allied products. The Company has identified two operating segments viz, Automotive and Industrial. As per Ind AS

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

- 108: Operating Segments, due to similar nature of products, production process, customer types, etc., the two operating segments have been aggregated as single operating segment of ""storage batteries and allied products"" during the year.

b) Life Insurance business - This segment relates to the nation wide life insurance business carried by one of the subsidiaries.

Operating Segments

Year ended March 31, 2018

(Rs. in Crores)

Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Revenue from operations (Gross)	**9,750.92**	**3,308.39**	**23.47**	**13,082.78**
Segment Results	**1,135.80**	**(9.17)**	**1.07**	**1,127.70**
Finance Cost	-	-	-	(105.65)
Other income	-	-	-	67.65
Profit before exceptional items and tax				**1,089.70**
Exceptional Items	-	-	-	(41.83)
Profit before tax				**1,047.87**
Taxes	-	-	-	(353.77)
Profit after tax				**694.10**
Depreciation and amortization	257.16	9.93	0.12	267.21

(Rs. in Crores)

Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Segment assets	5,475.20	12,201.00	3.58	17,679.78
Unallocated assets	-	-	-	2,142.44
Total assets				**19,822.22**
Segment liabilities	2,037.39	12,119.39	8.84	14,165.62
Unallocated liabilities	-	-	-	209.33
Total Liabilities				**14,374.95**
Additions to non-current assets (other than financial instruments)	777.61	54.47	-	832.08

Year ended March 31, 2017

(Rs. in Crores)

Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Revenue from operations (Gross)	**8,775.59**	**3,343.57**	**31.06**	**12,150.22**
Segment Results	**1,066.61**	**76.87**	**1.13**	**1,144.61**
Finance Cost	-	-	-	(146.29)
Other income	-	-	-	102.71
Profit before exceptional items and tax				**1,101.03**
Exceptional Items	-	-	-	-
Profit before tax				**1,101.03**
Taxes	-	-	-	(293.12)
Profit after tax				**807.91**
Depreciation and amortization	218.10	7.68	0.15	225.93

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

52. SEGMENT REPORTING (CONTD.)

(Rs. in Crores)

Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Segment assets	4,399.32	11,037.43	2.87	15,439.62
Unallocated assets	-	-	-	2,332.09
Total assets				**17,771.71**
Segment liabilities	1,651.76	10,714.68	8.06	12,374.50
Unallocated liabilities	-	-	-	349.32
Total Liabilities				**12,723.82**
Additions to non-current assets (other than financial instruments)	308.67	14.36	-	323.03

Geographical Segments

The Group primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas operations as under:

Year ended March 31, 2018

(Rs. in Crores)

Particulars	India	Overseas	Total
Revenue from operations (Gross)	12,777.36	305.42	13,082.78
Non-current assets other than financial assets	3,032.55	58.88	3,091.43

Year ended March 31, 2017

(Rs. in Crores)

Particulars	India	Overseas	Total
Revenue from operations (Gross)	11,539.75	610.47	12,150.22
Non-current assets other than financial assets	2,557.13	47.90	2,605.03

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

53. FAIR VALUES

A. Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values of assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

53. FAIR VALUES (CONTD.)

B. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at March 31, 2018:

(Rs. in Crores)

	Note	Carrying amount					Fair value			
		FVTPL	Other financial assets - amortised cost*	FVOCI	Other financial liabilities*	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments - government securities, bonds, debentures, equity instruments, mutual funds and others	5,6,11 & 12	2,631.46	6700.06	3158.98	-	12,490.50	12,256.87	230.65	2.98	12,490.50
		2,631.46	**6,700.06**	**3,158.98**	**-**	**12,490.50**				
Financial assets not measured at fair value										
Trade receivables	7 & 13	-	1,095.03	-	-	1,095.03				
Cash and cash equivalents	14	-	308.60	-	-	308.60				
Bank Balances	15	-	8.86	-	-	8.86				
Loans and deposits	8 & 16	-	48.86	-	-	48.86				
Other financial assets	17	-	372.76	-	-	372.76				
		-	**1,834.11**	**-**	**-**	**1,834.11**				
Financial liabilities not measured at fair value										
Borrowings	22 & 29	-	-	-	59.23	59.23				
Trade payables	23 & 30	-	-	-	1,524.12	1,524.12				
Other financial liabilities	24 & 31	-	-	-	445.56	445.56				
		-	**-**	**-**	**2,029.49**	**2,029.49**				

* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

53. FAIR VALUES (CONTD.)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at March 31, 2017:

(Rs. in Crores)

	Note	Carrying amount					Fair value			
		FVTPL	Other financial assets - amortised cost*	FVOCI	Other financial liabilities*	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments - government securities, bonds, debentures, equity instruments, mutual funds and others	5,6,11 & 12	3,412.70	5,783.13	2,688.30	-	11,884.13	10,947.79	932.96	3.38	11,884.13
		3,412.70	**5,783.13**	**2,688.30**	**-**	**11,884.13**				
Financial assets not measured at fair value										
Trade receivables	7 & 13	-	740.38	-	-	740.38				
Cash and cash equivalents	14	-	314.98	-	-	314.98				
Bank Balances	15	-	8.55	-	-	8.55				
Loans and deposits	8 & 16	-	44.76	-	-	44.76				
Other financial assets	17	-	347.07	-	-	347.07				
		-	**1,455.74**	**-**	**-**	**1,455.74**				
Financial liabilities not measured at fair value										
Borrowings	22 & 29	-	-	-	184.88	184.88				
Trade payables	23, 24 & 30	-	-	-	1,220.02	1,220.02				
Other financial liabilities	24 & 31	-	-	-	404.71	404.71				
		-	**-**	**-**	**1,810.27**	**1,810.27**				

* The carrying amount of the Group's financial assets and financial liabilities are reasonable approximation of their fair value.

The fair value of equity securities designated as Fair value through other comprehensive income is determined using Level 3 inputs like discounted cash flows, net asset value approach. Significant unobservable inputs comprise long term growth rates, market conditions of the specific industry etc. However, the changes in the fair values due to changes in unobservable inputs will not be material to the financial statements.

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54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Related to Business other than insurance

The Group's financial liabilities comprise short-term borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents and deposits. The Group also holds investments.

The Group has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Group. The Board of Directors also review these risks and related risk management policy.

The market risks and credit risks are further explained below:

I) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include investments, trade payables, trade receivables, etc.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. Such foreign currency exposures are not hedged by the Group. The Group has a treasury department which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Group.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Changes in exchange rate	Foreign currency Payable (net)	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2018	5%	147.14	7.36
	-5%		(7.36)
March 31, 2017	5%	215.44	10.77
	-5%		(10.77)

(ii) Equity price risk

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments / mutual funds. Reports on the investment portfolio are submitted to the Group's management on a regular basis. The Group's Board of Directors reviews and approves all investment decisions.

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

A. Related to Business other than insurance (Contd.)

Equity price sensitivity

The following table shows the effect of price changes in listed equity

	Changes in price / NAV	Investment	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2018	5%	26.31	1.32
	-5%		(1.32)
March 31, 2017	5%	28.00	1.40
	-5%		(1.40)

II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

A significant part of the Group's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 7 and 13 as the Group does not hold collateral as security. The Group has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

The Group's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty, etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

III) Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2018 and March 31, 2017. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

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for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

A. Related to Business other than insurance (Contd.)

March 2018

(Rs. in Crores)

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Borrowings	50.33	8.90	59.23
Trade and other payables	1,218.44	4.73	1,223.17
Other financial liabilities	354.61	2.62	357.23
	1,623.38	**16.25**	**1,639.63**

March 2017

(Rs. in Crores)

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Borrowings	184.10	0.78	184.88
Trade and other payables	904.77	4.16	908.93
Other financial liabilities	330.63	2.07	332.70
	1,419.50	**7.01**	**1,426.51**

B. Related to insurance business

The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets, and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

I) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

a) Company's credit risk policy which sets out the assessment and determination of what constitutes credit risk for it. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

b) Net exposure limits are set for each counterparty or group of counterparties, geographical and industry segment (i.e., limits are set for investments and cash deposits, foreign exchange trade exposures and minimum credit ratings for investments that may be held).

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for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

B. Related to insurance business (Contd.)

c) Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment.

d) The Company sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long–term credit ratings.

The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the Euroland Credit Agency's credit ratings of the counterparties. AAA is the highest possible rating. Assets that fall outside the range of AAA to BBB are classified as speculative grade.

March 31, 2018

(Rs. in crores)

Particulars	AAA	AA	AA-	Not rated	Unit linked	Total
a) Financial Instruments :-						
Amortized cost financial assets						
- Debt securities	6,349.57	61.57	4.50	284.39	-	6,700.03
- Equity securities	-	-	-	-	-	-
- Mutual Funds	-	-	-	-	-	-
Financial assets at FVTOCI						
- Debt securities	2,548.26	-	15.63	-	-	2,563.89
- Equity securities	-	-	-	540.21	-	540.21
- Mutual Funds	-	-	-	-	-	-
Financial assets at FVTPL						
- Debt securities	-	-	-	-	757.29	757.29
- Equity securities	-	-	-	102.47	1,210.24	1,312.71
- Mutual Funds	259.26	-	-	-	67.37	326.63
Total						12,200.76
b) Reinsurance assets	-	-	-	55.10	-	55.10
c) Insurance receivables	-	-	-	96.57	-	96.57
d) Cash and short term deposits	209.92	-	-	-	-	209.92
Total credit risk exposure	9,367.01	61.57	20.13	1,078.74	2,034.90	12,562.35

March 31, 2017

(Rs. in crores)

Particulars	AAA	AA	AA-	Not rated	Unit linked	Total
a) Financial Instruments :-						
Amortized cost financial assets						
- Debt securities	5,489.17	82.89	-	211.06	-	5,783.12
- Equity securities	-	-	-	-	-	-
- Mutual Funds	-	-	-	-	-	-
Financial assets at FVTOCI						
- Debt securities	2,179.61	38.58	-	5.17	-	2,223.36
- Equity securities	-	-	-	406.68	-	406.68

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

B. Related to insurance business (Contd.)

(Rs. in crores)

Particulars	AAA	AA	AA-	Not rated	Unit linked	Total
- Mutual Funds	-	-	-	-	-	-
Financial assets at FVTPL						
- Debt securities	-	-	-	-	841.04	841.04
- Equity securities	-	-	-	45.07	1,289.04	1,334.12
- Mutual Funds	224.56	-	-	-	80.64	305.20
Total						**10,893.52**
b) Reinsurance assets	-	-	-	20.05	-	20.05
c) Insurance receivables	-	-	-	74.13	-	74.13
d) Cash and short term deposits	285.71	-	-	-	-	285.71
Total credit risk exposure	**8,179.06**	**121.47**	**-**	**762.16**	**2,210.72**	**11,273.41**

II) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash out–flows and expected reinsurance recoveries.

Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and comply with other covenants.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk:

a) Company's liquidity risk policy which sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

b) Guidelines are set for asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.

c) Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.

The table below details the Company's remaining contractual maturity for its financial liabilities . The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2018

(Rs. in crores)

Particulars	Contractual cash flows			Total carrying value
	1 year or less	1 year to 5 years	5 years or more	
Assets				
Amortized cost financial assets	120.35	415.05	6,164.63	6,700.03
Financial assets at FVTOCI	40.12	276.99	2,787.00	3,104.11
Financial assets at FVTPL	559.28	110.46	1,726.89	2,396.63
Loans and receivables	10.33	-	-	10.33
Reinsurance assets	-	-	55.10	55.10
Insurance receivables	96.57	-	-	96.57

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

B. Related to insurance business (Contd.)

(Rs. in crores)

Particulars	Contractual cash flows			Total carrying value
	1 year or less	1 year to 5 years	5 years or more	
Other financial assets	342.38	-	-	342.38
Cash and cash equivalents	209.92	-	-	209.92
Total	**1,378.95**	**802.50**	**10,733.62**	**12,915.07**
Liabilities				
Insurance contract liabilities :				
with DPF	(751.46)	(1,052.90)	30,368.08	28,563.72
without DPF	(360.66)	(908.51)	8,286.59	7,017.42
Investment contract liabilities :				
with DPF	-	-	-	-
without DPF	49.91	460.93	721.62	1,232.46
Trade and other payables	300.95	-	-	300.95
Other financial liabilities	88.33	-	0.58	88.91
Insurance payables	-	-	-	-
Other liabilities	42.81	-	-	42.81
Total	**(630.12)**	**(1,500.48)**	**39,376.87**	**37,246.27**
Total liquidity gap	**(2,009.07)**	**(2,302.98)**	**28,643.25**	**24,331.20**

March 31, 2017

(Rs. in crores)

Particulars	Contractual cash flows			Total carrying value
	1 year or less	1 year to 5 years	5 years or more	
Assets				
Amortized cost financial assets	114.91	330.35	5,337.85	5,783.12
Financial assets at FVTOCI	19.06	262.87	2,348.11	2,630.04
Financial assets at FVTPL	524.90	127.55	1,827.90	2,480.35
Loans and receivables	7.88	-	11.74	19.62
Reinsurance assets	-	-	20.05	20.05
Insurance receivables	74.13	-	-	74.13
Other financial assets	318.92	0.00	-	318.93
Cash and cash equivalents	285.71	-	-	285.71
Total	**1,345.51**	**720.77**	**9,545.66**	**11,611.94**
Liabilities				
Insurance contract liabilities :				
with DPF	(782.81)	(1,215.66)	27,109.12	25,110.64
without DPF	(403.71)	(1,071.03)	7,621.33	6,146.60
Investment contract liabilities :				
with DPF	-	-	-	-
without DPF	38.03	459.15	800.25	1,297.43
Trade and other payables	311.09	-	-	311.09
Other financial liabilities	72.68	-	0.66	73.34
Insurance payables	-	-	-	-
Other liabilities	7.53	-	-	7.53
Total	**(757.19)**	**(1,827.54)**	**35,531.36**	**32,946.63**
Total liquidity gap	**(2,102.69)**	**(2,548.31)**	**25,985.70**	**21,334.69**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

B. Related to insurance business (Contd.)

III) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity/commodity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is primarily exposed to risk arising due to changes in interest rates and equity prices impacting the Company's value of holdings of financial instruments.

The following policies and procedures are in place to mitigate the Company's exposure to market risk:

a) Company's Investment policy and liquidity risk policy which sets out the assessment and determination of what constitutes market risk for the Company. Compliance with these policies is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

b) Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains for policyholders which are in line with their expectations and management of interest sensitivity of products sold. Market risk is also managed by setting risk limits such as Earnings at Risk and Regulatory capital at risk and risk is managed to be within these limits.

c) The Company stipulates diversification benchmarks by type of instrument , as it is exposed to guaranteed benefits when interest rates fall.

IV) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no significant concentration of currency risk.

V) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates. The Company's ALM policy requires it to manage interest rate risk by maintaining an appropriate mix of instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities. The Company monitors the Duration Gap and cash flow matching on regular basis to manage this risk.

Exposure to interest rate risk

The Company's interest rate risk primarily arises on account of investments in interest bearing securities. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(Rs. in Crores)

Particulars	Carrying Amount	
	March 31, 2018	March 31, 2017
Fixed-rate instruments		
Financial assets :		
a) Government securities and government guaranteed bonds including treasury bills	7,043.25	5,983.87
b) Debentures/ bonds	673.92	688.77
c) Investments in infrastructure and social sector bonds	1,987.20	1,940.53
d) Others (CBLO & Policy Loan)	316.84	234.36
Financial liabilities	(11,877.76)	(10,538.39)
	(1,856.55)	**(1,690.86)**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

54. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

B. Related to insurance business (Contd.)

VI) Equity price risk

Equity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. The Company's equity price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices, principally investment securities not held for the account of unit–linked business. The Company's Investment Mandates require it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on investments in each sector, security and market and exploration of use of any derivative financial instruments.

VII) Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

55. CAPITAL MANAGEMENT

A. Related to Business other than insurance

The Group's objective when managing capital (defined as net debt and equity) is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Group.

B. Related to insurance business

The primary source of capital used by the Company is Equity. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital requirements are routinely forecast on a periodic basis and assessed against both the forecast available capital and the expected internal rate of return, including risk and sensitivity analysis. The process is ultimately subject to approval by the Board.

56.

The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018. Corresponding amounts as appearing in the audited Consolidated Ind AS financial statements for the period ended March 31, 2017 have been disclosed.

(Rs. in Crores)

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.52	0.18	0.70
(+) Permitted receipts	-	1.29	1.29
(-) Permitted payments	-	1.20	1.20
(-) Amount deposited in Banks	0.52	-	0.52
Closing cash in hand as on December 30, 2016	-	0.26	0.27

57. MOVEMENT OF POLICYHOLDERS' FUNDS, FUNDS FOR DISCONTINUED POLICIES, FUNDS FOR FUTURE APPROPRIATION AND EMBEDDED DERIVATIVE LIABILITY DURING THE YEAR ENDED MARCH 31, 2018

(Rs. in Crores)

Particulars	Movement during the year ended March 31, 2018				Movement during the year ended March 31, 2017			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
Gross Liability at the beginning of the year	4,718.83	2,020.92	2,452.09	**9,191.84**	3,813.49	1,959.48	1,860.82	**7,633.79**
Add/(Less)					-	-	-	
Expected Premium	1,184.66	130.06	398.59	**1,713.31**	1,113.46	121.89	620.54	**1,855.89**
Unwinding of the discount/ interested credited	428.35	176.87	219.64	**824.86**	162.78	263.76	62.39	**488.93**
Changes in valuation for expected future benefits	-	-	-	**-**	54.51	-	-	**54.51**
Insurance liabilities released	(543.14)	(607.50)	(26.80)	**(1,177.44)**	(512.30)	(358.90)	(412.18)	**(1,283.38)**
Undistributed participating policyholders surplus	29.95	-	-	**29.95**	6.91	-	-	**6.91**
Others - Non-unit liabilities	(65.72)	135.84	(75.66)	**(5.54)**	79.98	34.69	320.52	**435.19**
Gross Liability at the end of the year	**5,752.93**	**1,856.19**	**2,967.86**	**10,576.98**	**4,718.83**	**2,020.92**	**2,452.09**	**9,191.84**
Recoverable from Reinsurance	(0.24)	(0.10)	(54.76)	(55.10)	(0.22)	(0.11)	(19.72)	(20.05)
Net Liability	**5,752.69**	**1,856.09**	**2,913.10**	**10,521.88**	**4,718.61**	**2,020.81**	**2,432.37**	**9,171.79**
Closing UPPS included in gross liability at the end of the year	71.51	-	-	71.51	41.56	-	-	41.56

58. MOVEMENT OF INVESTMENT CONTRACTS LIABILITIES DURING THE YEAR ENDED MARCH 31, 2018

(Rs. in Crores)

Particulars	Movement during the year ended March 31, 2018			Movement during the year ended March 31, 2017		
	Linked Business	Others	Total	Linked Business	Others	Total
At the beginning of the year	224.26	905.64	**1,129.90**	202.40	979.21	**1,181.61**
Additions						
Premium	35.09	40.12	**75.21**	33.01	53.79	**86.80**
Interest & Bonus credited to policyholders	17.75	78.62	**96.37**	59.30	80.78	**140.08**
Deductions						
Withdrawals/ Claims	59.01	141.43	**200.44**	69.80	206.61	**276.41**
Fee Income & Other Expenses	0.53	0.94	**1.47**	0.65	1.53	**2.18**
At the end of the year	**217.56**	**882.01**	1,099.57	**224.26**	**905.64**	1,129.90

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

59. ADDITIONAL INFORMATION IN RESPECT OF NET ASSETS, PROFIT / LOSS AND OTHER COMPREHENSIVE INCOME OF EACH ENTITY WITHIN THE GROUP AND THEIR PROPORTIONATE SHARE OF THE TOTALS

Name of the entity	As at March 31, 2018 Net Assets, i.e. Total assets minus total liabilities		2017-18 Share in Profit or Loss		2017-18 Share in Other Comprehensive Income		2017-18 Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount (Rs. in Crores)	As % of Consolidated net assets	Amount (Rs. in Crores)	As % of Consolidated net assets	Amount (Rs. in Crores)	As % of Consolidated net assets	Amount (Rs. in Crores)
Parent								
Exide Industries Limited (EIL)	78.42%	4,271.34	96.03%	666.60	-6.27%	2.91	103.37%	669.51
Indian Subsidiaries								
Chloride International Limited (CIL)	0.11%	6.20	0.01%	0.09	0.00%	-	0.01%	0.09
Chloride Power Systems & Solutions Ltd. (CPSSL)	0.31%	16.65	0.25%	1.71	0.02%	(0.01)	0.26%	1.70
Chloride Metals Ltd. (CML)	0.76%	41.64	1.45%	10.07	0.06%	(0.03)	1.55%	10.04
Exide Life Insurance Company Limited (ELI)	18.03%	982.31	1.43%	9.92	111.92%	(51.91)	-6.48%	(41.99)
Foreign Subsidiaries								
Chloride Batteries S. E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	1.49%	81.13	-0.40%	(2.78)	-5.86%	2.72	-0.01%	(0.06)
Espex Batteries Limited (ESPEX)	0.49%	26.79	0.24%	1.64	-1.72%	0.80	0.38%	2.44
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	0.39%	21.21	0.99%	6.85	1.85%	(0.86)	0.92%	5.99
Total	**100%**	**5,447.27**	**100%**	**694.10**	**100%**	**(46.38)**	**100%**	**647.72**

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

60. OPERATING LEASE COMMITMENTS

Rent and Hire charges include Rs. 67.90 Crs (PY Rs. 65.47 crs) towards lease of residential apartments, Office premises and Godowns. These are cancellable leases, renewable by mutual agreement. The lease term is for various number of years and renewable for further periods as per the lease agreements at the option of the company. In lease agreements, escalation clauses are present; however there are no restrictions imposed by the lease agreements. There are no sub-leases.

The future minimum lease amounts under non-cancellable operating lease in case of CML, CBSEA, ESPEX and ELI are payable as follows:

(Rs. in Crores)

	2017-18	2016-17
Not later than one financial year	32.62	34.36
Later than one financial year but not later than five financial years	104.77	107.40
Later than five financial years	29.76	49.90

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757
Mumbai, May 7, 2018

For and on behalf of the Board of Directors of Exide Industries Ltd.

Sd/-	Sd/-	Sd/-
J. Kumar	**A. K. Mukherjee**	**Gautam Chatterjee**
Company Secretary & EVP - Legal & Admin	*Director- Finance & CFO*	*Managing Director & CEO*
ACS: 11159	DIN: 00131626	DIN: 00012306

FORM AOC-1

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

(Information in respect of each subsidiary to be presented with amounts in Rs. Crores)

1	Sl. No.	1	2	3	4	5	6	7
2	Name of the subsidiary	Chloride Power Systems & Solutions Ltd	Chloride Metals Ltd	Chloride International Ltd	Chloride Batteries S.E. Asia Pte. Ltd	Associated Battery Manufacturers (Ceylon) Ltd	Espex Batteries Ltd	Exide Life Insurance Company Limited
3	Reporting period	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	-	-	-	1 SGD = Rs 49.68	1 SLR = Re 0.4168	1GBP = Rs. 92.15	-
5	Share capital	1.98	42.38	0.45	48.37	2.64	0.94	1,750.00
6	Reserves & surplus	12.93	55.27	5.75	10.43	37.12	6.42	(767.69)
7	Total assets	53.90	283.14	6.38	95.26	105.13	43.94	13,101.70
8	Total Liabilities	38.99	185.49	0.18	36.46	65.37	36.58	12,119.39
9	Investments	2.42	-	0.93	-	-	-	12,228.36
10	Turnover / Income from Operations	81.81	2,013.56	0.68	111.54	141.09	57.82	3,309.02
11	Profit before taxation	4.07	29.65	0.56	(3.35)	11.42	2.16	9.71
12	Provision for taxation	1.37	11.56	0.11	(0.58)	3.26	0.44	(0.21)
13	Profit after taxation	2.70	18.09	0.45	(2.77)	8.16	1.72	9.92
14	Proposed Dividend	-	-	-	-	-	-	-
15	% of shareholding	100	100	100	100	61.50	100	100
Notes: The following information shall be furnished at the end of the statement:								
1	Names of the subsidiaries which are yet to commence operations	NA	NA	NA	NA	NA	NA	NA
2	Names of subsidiaries which have been liquidated or sold during the year.	NA	NA	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors

	Sd/-	Sd/-	Sd/-
	J Kumar	**A K Mukherjee**	**Gautam Chatterjee**
	Company Secretary & EVP - Legal & Admin	*Director - Finance & CFO*	*Managing Director & CEO*
Place: Mumbai	ACS:11159	DIN: 00131626	DIN:00012306
Date: 7th May, 2018			

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PROXY FORM
FORM NO. MGT-11

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

CIN: L31402WB1947PLC014919
Name of the Company: EXIDE INDUSTRIES LIMITED
Registered Office: Exide House, 59E Chowringhee Road, Kolkata 700 020
E-mail: exideindustrieslimited@exide.co.in
Website: www.exideindustries.com

71st Annual General Meeting – 2nd August, 2018

Name of the Member(s) : .....

Registered Address : .....

E-mail ID : .....

Folio No. /Client ID : .....

DP-ID : .....

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

(1) Name ..... Address .....

Email Id ..... Signature..... or failing him/her;

(2) Name ..... Address .....

Email Id ..... Signature..... or failing him/her;

(3) Name ..... Address .....

Email Id ..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 71st Annual General Meeting of the Company, to be held on Thursday, 2nd August, 2018 at 10.30 am at Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	*	
Ordinary Business		For	Against
1.	Adoption of audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March, 2018 and the Reports of the Directors and the Auditors thereon.		
2.	Confirmation of Interim dividend and declaration of final dividend for the financial year ended 31st March, 2018.		
3.	Re-appointment of Mr. A.K.Mukherjee (DIN: 00131626) who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	Re-appointment of Mr. Arun Mittal (DIN: 00412767) who retires by rotation and, being eligible, offers himself for re-appointment.		
Special Business			
5.	Ratification of remuneration payable to Cost Auditors for financial year 2018-19.		
6.	Appointment of Mr. Surin Shailesh Kapadia (DIN: 00770828) as an independent director		
7.	Amendment in terms of remuneration payable to Whole-time directors		

Signed this.....day of....., 2018

Signature of Member(s).....

Signature of Proxy holder(s).....

Affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting (on or before 31st July, 2018 at 10.30 a.m. IST).
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 71st Annual General Meeting.

*3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

ROUTE MAP TO THE VENUE OF THE 71ST AGM OF EXIDE INDUSTRIES LIMITED



Kala Mandir
48, Shakespeare Sarani, Kolkata 700 017

/ concept, content and design at AICL (hello@aicl.in)

REGISTERED OFFICE
Exide Industries Limited
Exide House, 59E Chowringhee Road,
Kolkata - 700 020
www.exideindustries.com

EXIDE INDUSTRIES LIMITED

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of Exide Industries Limited ("the Company") endeavors to maintain a consistent approach towards dividend payment to its shareholders and regulate the process of dividend declaration and its payout by the Company in accordance with the applicable Sections of the Companies Act, 2013, the rules made there under, and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and any other law as applicable for the time being in force.

In order to help investors to get a clearer picture on returns from their investments in the Company and also identify the stocks matching their investment objectives, the market regulator namely, the Securities and Exchange Board of India has made it mandatory for top 500 listed entities to have a dividend distribution policy.

Legal Framework

The Companies Act, 2013 lays down certain provisions for declaration of dividend (both interim and final), which are as follows:

a. Section 51 permits companies to pay dividends pro-rata, in proportion to the amount paid-up on each share when all shares are not uniformly paid up.

b. No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with Section 123 (2) of the Act or out of profits of the Company for any previous financial year/years arrived at after providing for depreciation in accordance with the provisions of above sub-Section and remaining undistributed or out of both or out of moneys provided for by the Central Government or State Government for payment of dividend in pursuance of a guarantee given by the concerned Government [Section 123(1)].

c. Section 123(6) prohibits a company violating provisions as regards acceptance or repayment of deposits from declaring dividend on its equity shares, as long as such failure continues.

d. No dividend shall be declared or paid by a company out of its reserves other than free reserves.

e. In accordance with Section 134(3)(k), Board of directors must state in the Directors' Report the amount of dividend, if any, which it recommends to be paid to the shareholders.

The following are some major conditions of the Companies (Declaration and Payment of Dividend) Rules, 2014 (Rule 3) regarding declaration of dividend out of surplus in the absence of adequacy or absence of profits in any year:

a. The rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year.

b. The total amount to be drawn from such accumulated profits shall not exceed 1/10th of the sum of its paid-up share capital and free reserves.

c. The amount so drawn shall first be utilised to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared.

d. The balance of reserves after such withdrawal shall not fall below 15% of its paid up share capital as appearing in the latest audited financial statement.

Dividend Payment History

Since its incorporation in the year 1947, the Company has made profits in each single year and also has an unblemished track record of distributing dividends to its shareholders every single year. The dividend distributed by the Company consists of Interim dividend as well as Final Dividend. The Company has been distributing Interim dividend regularly since the financial year 2008-09 along with final dividend declared at the Annual General Meetings.

While the final dividend is recommended by Board of Directors at the beginning of a new financial year based on the financial performance of the immediately preceeding financial year, the same is distributed amongst the shareholders after its confirmation at the annual general meeting. The Interim dividend is however declared by the Board of Directors based on the financial performance of the Company for part of the year along with few other criteria.

Dividend Distribution

Subject to various parameters mentioned hereinafter, it is the intention of the Board to maintain a reasonable dividend pay-out ratio. Such dividend will be paid annually within 30 days of the AGM

declaring such dividend. However, the Board may at its discretion pay interim dividend or special dividends on any special occasion or may pay both interim and final dividend in the proportion as it may deem fit to the Board, in the best interest of the Company and its shareholders. While deliberating on the recommendation of dividend, the Board will seek to balance the benefit made available to the shareholders of the Company with the comparative advantages of retaining profits in the Company which would lead to greater value creation for all stakeholders.

The circumstances under which the shareholder may or may not expect dividend

The Company endeavors to continue payment of both interim and final dividends to its shareholders based on the financial and certain other criteria as mentioned herein below in the Policy. The Company may however choose not to declare / distribute dividend in future in case of following events:

a) Absence or inadequacy of profits during any particular year;
b) Buyback of equity shares; and
c) To meet one or more criteria mentioned under the heading "Internal / External factors considered for declaration of dividend".

The financial parameters to be considered while declaring dividend

The financial parameters that may be considered while payment of dividend, including interim dividend are:

a) revenues and net profits earned during the financial year/ part of the financial year;
b) possible current and future cash flow requirements;
c) liquidity needs including working capital requirements;
d) any changes in accounting policy / guidelines that may have an adverse impact on the future profitability of the Company;
e) tax implications if any, on distribution of dividends
f) amount the Company wishes to transfer to General Reserves before declaration of dividend; and
g) in case of interim dividend, the dividend track record of the Company for the previous financial years, future financial commitment of the Company including expansion plans, if any.

Internal and External factors considered for declaration of dividend

The major Internal factors to be considered before proposing dividend, interim or final includes the following:

a) Amount of profit earned during the financial year or the performance of the Company during part of the financial year while considering the payment of final/interim dividend;
b) Requirement of ploughing back of profits including the plans for capital expenditure towards new projects, capacity expansion at the existing facilities, technological upgradation, renovation/modernisation of factories and establishments and allied infrastructure of the Company and major repairs and maintenance programme and expenditure on research and development;
c) Cost of acquisition/ Proposed acquisition of technology from reputed organizations in India and abroad;
d) Impact of crystallization of contingent liabilities, if any, and requirement of setting aside funds for future contingencies and unforeseen events;
e) Likely change in business plan / model that might have an adverse impact on the profitability for a particular year;
f) Strategic priorities and goal-setting including further planning and resource mobilization in order to attain the Objectives of the Company and leverage internal and external resources in the best possible manner for future business growth and value creation for the shareholders;
g) Acquisition of brands/ businesses for future growth of the Company including market expansion and product expansion plans; and
h) Any other factors having an impact on the future profitability of the Company as it may deem fit to the Board of Directors..

In addition to the above the following External Factors may also be taken into consideration while declaration of dividend, namely:

a) Uncertain or recessionary economic and business conditions (both domestic and global);
b) Introduction / change in any laws, policies, guidelines that is likely to have a substantial adverse impact on the company;
c) The restrictions imposed by Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other law as applicable for the time being in force with regard to declaration of dividend; and
d) Any force majeure condition.

Policy as to how retained earnings shall be utilised

The amount of retained earnings shall be invested by the Company for future plans of expansion, technological upgradation, renovation/modernization of factories and establishments of the Company, repairs/maintenance programme or repayment of debts, if any, meeting increased working capital requirements in line with growth and market requirements. A separate policy may be formulated by the Company as and when considered appropriate by the Board of Directors of the Company.

Parameters that shall be adopted with regard to various classes of shares

The Company does not have various classes of shares excepting Equity Shares having uniform voting rights. In case the Company decides to issue in future shares with differential rights as to dividend necessary amendments to this policy would be carried out by the Board of Directors.

Amendment

In case of any amendment in the provisions of law, applicable Rules and Regulations the same shall automatically apply to the Company and the policy shall stand amended to that extent.

A dividend payout, in deviation of this policy shall be reported in the Annual Report of the Company.

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