BOARD OF DIRECTORS

R. G. Kapadia, *Chairman & Non Executive Director*
R. B. Raheja, *Vice Chairman & Non Executive Director*
T. V. Ramanathan, *Managing Director & Chief Executive Officer (upto 30th April, 2013)*
P. K. Kataky, *Managing Director & Chief Executive Officer (w.e.f. 1st May, 2013)*
G. Chatterjee, *Joint Managing Director*
A. K. Mukherjee, *Director - Finance & Chief Financial Officer*
Nadeem Kazim, *Director - HR & Personnel*
Subir Chakraborty, *Director - Industrial (w.e.f. 1st May, 2013)*
Vijay Aggarwal, *Non Executive Director*
S.B. Raheja, *Non Executive Director*
D. S. Parekh, *Non Executive Director*
Mona N Desai, *Non Executive Director*
W. Wong, *Non Executive Director*
Sudhir Chand, *Non Executive Director (w.e.f. 19th October, 2012)*
Bhaskar Mitter, *Non Executive Director (upto 1st August, 2012)*
H. M. Kothari, *Non Executive Director (upto 17th July, 2012)*

SECRETARY

S. Coomer

AUDIT COMMITTEE

R. G. Kapadia
Vijay Aggarwal
Mona N Desai
Sudhir Chand

REMUNERATION COMMITTEE

R. G. Kapadia
P. K. Kataky
Vijay Aggarwal
Mona N Desai
Sudhir Chand

SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE

Sudhir Chand
P. K. Kataky
G. Chatterjee

SHARE TRANSFER COMMITTEE

P. K. Kataky
G. Chatterjee
A. K. Mukherjee
Nadeem Kazim

BANKING OPERATIONS COMMITTEE

P. K. Kataky
G. Chatterjee
A. K. Mukherjee
Nadeem Kazim

EXECUTIVE COMMITTEE

P. K. Kataky
G. Chatterjee
A. K. Mukherjee
Nadeem Kazim
Subir Chakraborty
S. Coomer

BANKERS

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

STATUTORY AUDITORS

S R B C & Co. LLP
Chartered Accountants
22, Camac Street, Block 'C', 3rd Floor
Kolkata 700 016

COST AUDITOR

Mani & Co.
Cost Accountants
"Ashoka", 111 Southern Avenue,
Kolkata - 700 029

REGISTRAR AND SHARE TRANSFER AGENT

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

SOLICITORS

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

REGISTERED OFFICE

EXIDE HOUSE
59E, Chowringhee Road
Kolkata 700 020

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 66th Annual General Meeting of the Company will be held at Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700 017 on the 16th day of July, 2013 at 10.30 am to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended 31 March, 2013 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr S B Raheja who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Ms Mona N Desai who retires by rotation and, being eligible, offers herself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

   "RESOLVED THAT, in accordance with the provisions of Section 257 of the Companies Act, 1956, Mr Sudhir Chand, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 104 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company.

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 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, Mr P K Kataky be and is hereby appointed as the Managing Director and Chief Executive Officer of the Company for a period of three years with effect from 1st May, 2013 upto 30th April, 2016 on such remuneration and terms and conditions of service as detailed in the Explanatory Statement under Section 173(2) of the Companies Act, 1956 annexed to the Notice convening the Meeting, with liberty to the Board of Directors, including any Committee thereof, to alter and vary the terms and conditions of appointment and/or remuneration, subject to the limits specified under Schedule XIII of the Companies Act, 1956 and any statutory modification or re-enactment thereto."

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

   "RESOLVED THAT, pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, Mr G Chatterjee be and is hereby appointed as the Joint Managing Director of the Company for a period of three years with effect from 1st May, 2013 upto 30th April, 2016 on such remuneration and terms and conditions of service as detailed in the Explanatory Statement under Section 173(2) of the Companies Act, 1956 annexed to the Notice convening the Meeting, with liberty to the Board of Directors, including any Committee thereof, to alter and vary the terms and conditions of appointment and/or remuneration, subject to the limits specified under Schedule XIII of the Companies Act, 1956 and any statutory modification or re-enactment thereto."

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

   "RESOLVED THAT, pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, the variation in the period, remuneration and terms and conditions of appointment of Mr A K Mukherjee, Director-Finance and Chief Financial Officer be and are hereby approved with effect from 1st May, 2013 upto 30th April, 2018 as detailed in the Explanatory Statement under Section 173(2) of the Companies Act, 1956 annexed to the Notice convening the Meeting."

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

"RESOLVED THAT, pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, the variation in the period, remuneration and terms and conditions of appointment of Mr Nadeem Kazim, Director - HR and Personnel be and are hereby approved with effect from 1st May, 2013 upto 30th April, 2018 as detailed in the Explanatory Statement under Section 173(2) of the Companies Act, 1956 annexed to the Notice convening the Meeting."

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

"RESOLVED THAT, in accordance with the provisions of Section 257 of the Companies Act, 1956, Mr Subir Chakraborty, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 104 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT in accordance with Sections 198, 269, 309 and all other applicable provisions of the Companies Act, 1956, if any, approval of the Company is hereby accorded to the appointment of Mr Subir Chakraborty as a Whole-time Director designated as Director - Industrial of the Company for a period of five years with effect from 1st May, 2013 upto 30th April, 2018 on such remuneration and terms and conditions of service as detailed in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors, including any Committee thereof, to alter and vary the terms and conditions of appointment and/or remuneration, subject to the limits specified under Schedule XIII of the Companies Act, 1956 and any statutory modification or re-enactment thereto."

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

"RESOLVED THAT, subject to the provisions of Sections 309, 314 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any modifications/re-enactments thereof, the Articles of Association of the Company and subject to such other approvals/permissions as may be necessary, consent of the Company be and is hereby accorded to the payment of remuneration by way of commission of upto one per cent of the net profits of the Company computed in the manner referred to in Sections 198, 309 and all other applicable provisions of the Act, provided that such commission in any financial year shall not exceed ₹ 40,00,000 (Rupees Forty lakhs only) per annum (subject to deduction of applicable taxes) to Mr. Rajesh G. Kapadia with effect from April 1, 2013, in addition to the sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

Registered Office :	By Order of the Board
Exide House	S Coomer
59E Chowringhee Road	*Company Secretary and*
Kolkata 700 020	*Executive Vice President -*
Date : 29th April, 2013	*Legal & Administration*

NOTES

a. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member. The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time for holding of the Meeting.**

b. The Register of Members and Share Transfer Books of the Company will remain closed from 2nd July, 2013 to 16th July, 2013, both days inclusive. Dividend, if declared at the Annual General Meeting, will be payable to those members holding shares in physical form whose names appear in the Company's Register of Members on 16th July, 2013 or to their mandatees. In respect of equity shares held in electronic form, dividend will be payable to the beneficial owners as on 1st July, 2013 as per details furnished to the Company by both NSDL and CDSL, for the purpose.

c. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking reappointment at this Meeting, as required under Clause 49(G)(i) of the Listing Agreement with the Stock Exchanges, is annexed to this Notice.

d. Please note that pursuant to Section 205A of the Companies Act, 1956, Dividend for the financial year ended 31st March, 2006 which remains unpaid or unclaimed, will be due for transfer to the Investors Education and Protection Fund of the Central Government in August 2013.

   Particulars of shareholders who have not encashed their dividend warrants from the the financial year ended 31st March, 2006 onwards are available in the Company's website at http://www.exideindustries.com/unclaimed_dividend.html.

e. 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, 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.

f. Members holding shares in electronic form are advised that address/Bank details as furnished to the Company by the respective depositories, viz., NSDL and CDSL, will be considered for payment of dividend through ECS.

Registered Office :
Exide House
59E Chowringhee Road
Kolkata 700 020
Date : 29th April, 2013

By Order of the Board
S Coomer
Company Secretary and
Executive Vice President -
Legal & Administration

Explanatory Statement (Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6

The Board of Directors at its meeting held on 19th October, 2012, appointed Mr Sudhir Chand as an Additional Director to hold office till the ensuing Annual General Meeting of the Company.

A Notice has been received from a Member under Section 257 of the Companies Act, 1956 proposing the appointment of Mr Sudhir Chand as a Director of the Company at the ensuing Annual General Meeting.

Brief particulars of Mr Sudhir Chand, as required under Clause 49 of the Listing Agreement, is annexed to this Notice.

Your Directors recommend that the resolution for appointment of Mr Sudhir Chand as a Director of the Company be approved by the Members.

Apart from Mr Sudhir Chand, no other Director is concerned with or interested in the said resolution.

Item No. 7

Consequent upon the retirement of Mr T V Ramanathan as Managing Director and CEO, with effect from 30th April, 2013, the Board of Directors of the Company, at its meeting held on 29th April, 2013, appointed Mr P K Kataky as the Managing Director and Chief Executive Officer of the Company for a period of three years with effect from 1st May, 2013, subject to the approval of the Members in General Meeting.

The remuneration payable to and the terms and conditions of service of Mr P K Kataky as Managing Director and Chief Executive Officer with effect from 1st May, 2013 are set out

Salary	₹ 6,50,000 per month.
Increment	Basic Salary will be increased upto 10% per annum, subject to performance criteria as laid down by the Remuneration Committee of the Board of Directors.
Commission	Commission of 1% of the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956 subject to a maximum of the annual salary for each year, based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors and payable annually after the Annual Accounts have been approved by the Board of Directors and Members of the Company.
Performance Bonus	Subject to a maximum amount equivalent to the annual salary based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors.
Duties	Subject to the superintendence, control and direction of the Board, he shall have the responsibility of overall management of the business of the Company and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated to him by the Board/Chairman.
Period	For a period of three years with effect from 1st May, 2013 to 30th April, 2016.

Other terms and conditions :

Perquisites	In addition to the above salary, increment, commission and performance bonus, Mr P K Kataky shall be entitled to perquisites like furnished accommodation with expenditure on gas, electricity, water, maintenance and repair thereof or House Rent Allowance with expenditure on gas, electricity, water and furnishings, leave travel allowance, medical expenses and medical insurance for self and family, fees of clubs, personal accident and life insurance benefits and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors. Company's contribution to Provident Fund and Pension Fund not exceeding 27% of salary or such percentage limit as may be prescribed under the Income Tax legislation. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and leave including encashment of leave at the end of the tenure, as per Company's policy. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and, in the absence of any such Rule, perquisites shall be evaluated at actual costs. Provision for use of Company's cars and telephones at residence (including payment for local calls and long distance calls) shall not be included in the computation of perquisites.

	The overall amount of perquisites shall not exceed an amount equal to the annual basic salary. In computing the monetary ceiling on perquisites, Company's contribution to Provident Fund, Pension Fund and Gratuity shall not be taken into account.
Minimum Remuneration	In the absence of or inadequacy of profits in any of the financial years of the Company during the tenure Mr P K Kataky shall be entitled to such remuneration by way of salary along with perquisites, benefits and other allowances as detailed above not exceeding such sum as may be prescribed under Schedule XIII of the Companies Act, 1956 from time to time.
General	In addition, the contract of appointment shall set out the usual rights and obligations of the parties.
Termination	The appointment is terminable by either party by giving three months prior notice to the other.

An abstract of the terms of appointment of Mr P K Kataky pursuant to Section 302 of the Companies Act, 1956 has already been sent to the Members in the second week of May, 2013.

The Board considers the appointment of Mr P K Kataky on the terms set out above to be in the interest of the Company and recommends that the resolution be adopted by the Members.

Except Mr P K Kataky, no other Director is concerned with or interested in the aforesaid appointment.

Item No. 8

The Board of Directors of the Company, at its meeting held on 29th April, 2013, appointed Mr Gautam Chatterjee as the Joint Managing Director of the Company for a period of three years with effect from 1st May, 2013, subject to the approval of the Members in General Meeting.

The remuneration payable to and the terms and conditions of service of Mr Chatterjee as Joint Managing Director with effect from 1st May, 2013 are set out below :-

Salary	₹ 6,25,000 per month.
Increment	Basic Salary will be increased upto 10% per annum, subject to performance criteria as laid down by the Remuneration Committee of the Board of Directors.
Commission	Commission of 1% of the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956 subject to a maximum of the annual salary for each year, based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors and payable annually after the Annual Accounts have been approved by the Board of Directors and Members of the Company.
Performance Bonus	Subject to a maximum amount equivalent to the annual salary based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors.
Duties	Subject to the superintendence, control and direction of the Managing Director and CEO, he shall have the overall

	responsibility for all matters relating to manufacturing, marketing and sales activities pertaining to the products of the Automotive and Submarine batteries business and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated by the Managing Director and CEO.
Period	For a period of three years with effect from 1st May, 2013 to 30th April, 2016.

Other terms and conditions :

Perquisites	In addition to the above salary, increment, commission and performance bonus, Mr G Chatterjee shall be entitled to perquisites like furnished accommodation with expenditure on gas, electricity, water, maintenance and repair thereof or House Rent Allowance with expenditure on gas, electricity, water and furnishings, leave travel allowance, medical expenses and medical insurance for self and family, fees of clubs, personal accident and life insurance benefits and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors. Company's contribution to Provident Fund and Pension Fund not exceeding 27% of salary or such percentage limit as may be prescribed under the Income Tax legislation. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and leave including encashment of leave at the end of the tenure, as per Company's policy. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rule, perquisites shall be evaluated at actual costs. Provision for use of Company's cars and telephones at residence (including payment for local calls and long distance calls) shall not be included in the computation of perquisites. The overall amount of perquisites shall not exceed an amount equal to the annual basic salary. In computing the monetary ceiling on perquisites, Company's contribution to Provident Fund, Pension Fund and Gratuity shall not be taken into account.
Minimum Remuneration	In the absence of or inadequacy of profits in any of the financial years of the Company during the tenure Mr. G Chatterjee shall be entitled to such remuneration by way of salary along with perquisites, benefits and other allowances as detailed above not exceeding such sum as may be prescribed under Schedule XIII of the Companies Act, 1956 from time to time.
General	In addition, the contract of appointment shall set out the usual rights and obligations of the parties.
Termination	The appointment is terminable by either party by giving three months prior notice to the other.

An abstract of the terms of appointment of Mr G Chatterjee pursuant to Section 302 of the Companies Act, 1956 has already been sent to the members in the second week of May, 2013.

The Board considers the appointment of Mr G Chatterjee on the terms set out above to be in the interest of the Company and recommends that the resolution be adopted by the Members.

Except Mr G Chatterjee, no other Director is concerned with or interested in the aforesaid appointment.

Item Nos. 9 and 10

At the 63rd Annual General Meeting of the Company held on 14th July, 2010, the Members approved of a variation in the terms of appointment of Mr A K Mukherjee, Director-Finance and Chief Financial Officer for a period of five years with effect from 1st May, 2010 upto 30th April, 2015. Further, at the 64th Annual General Meeting held on 21st July, 2011, the Members appointed and approved the remuneration payable and terms and conditions of service of Mr Nadeem Kazim as Director - HR and Personnel from 1st May, 2011 to 30th April, 2016.

The Board of Directors of the Company, at its meeting held on 29th April, 2013, approved of a variation in the period of appointment and remuneration payable to Mr A K Mukherjee and Mr Nadeem Kazim, subject to the approval of the shareholders in the Annual General Meeting.

The period of service, remuneration payable and the terms and conditions of service of Mr A K Mukherjee and Mr Nadeem Kazim respectively with effect from 1st May, 2013 are set out below :

Terms & Conditions of Service	**Mr A K Mukherjee Director-Finance and CFO**	**Mr Nadeem Kazim Director – HR and Personnel**
Salary	₹ 3,30,000 per month	₹ 2,20,000 per month
Increment	Basic Salary will be increased upto 10% per annum provided performance criteria as laid down by Remuneration Committee of the Board of Directors, are met.	Basic Salary will be increased upto 10% per annum provided performance criteria as laid down by Remuneration Committee of the Board of Directors, are met.
Commission	Commission of 1% of the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956 subject to a maximum of annual salary for each year, based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors and payable annually after the annual accounts have been approved by the Board of Directors and Members of the Company.	Commission of 1% of the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956 subject to a maximum of annual salary for each year, based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors and payable annually after the annual accounts have been approved by the Board of Directors and Members of the Company.
Performance Bonus	Subject to a maximum of annual salary based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors.	Subject to a maximum of annual salary based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors.

Terms & Conditions of Service	Mr A K Mukherjee Director-Finance and CFO	Mr Nadeem Kazim Director – HR and Personnel
Duties	Subject to the superintendence, control and direction of the Managing Director and CEO, he shall have the overall responsibility for all matters relating to Finance (Treasury functions), Accounts, Statutory Audit, Cost Audit and Management Information Systems and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated by the Managing Director and CEO.	Subject to the superintendence, control and direction of the Managing Director and CEO, he shall have the overall responsibility for all matters relating to Human Resources Management, HR Initiatives, Industrial Relations and also Captive Smelters and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company delegated by the Managing Director and CEO.
Period	For a period of five years with effect from 1st May, 2013 to 30th April, 2018.	For a period of five years, with effect from 1st May, 2013 to 30th April, 2018.

Other terms and conditions :

Perquisites	In addition to the above salary, increment, commission and performance bonus, the above Directors shall be entitled to perquisites like furnished accommodation with expenditure on gas, electricity, water, maintenance and repair thereof or House Rent Allowance with expenditure on gas, electricity, water and furnishings, leave travel allowance, medical expenses and medical insurance for self and family, fees of clubs, personal accident and life insurance benefits and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors. Company's contribution to Provident Fund and Pension Fund not exceeding 27% of salary or such percentage limit as may be prescribed under the Income Tax legislation. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and leave including encashment of leave at the end of the tenure, as per Company's policy. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rule, perquisites shall be evaluated at actual costs. Provision for use of Company's cars and telephones at residence (including payment for local calls and long distance calls) shall not be included in the computation of perquisites. The overall amount of perquisites shall not exceed an amount equal to the annual basic salary. In computing the monetary ceiling on perquisites, Company's contribution to Provident Fund, Pension Fund and Gratuity shall not be taken into account.

Minimum Remuneration	In the absence of or inadequacy of profits in any of the financial years of the Company during the tenure the above Directors shall be entitled to such remuneration by way of salary along with perquisites, benefits and other allowances as detailed above not exceeding such sum as may be prescribed under Schedule XIII of the Companies Act, 1956 from time to time.
General	In addition, the contract of appointment shall set out the usual rights and obligations of the parties.
Termination	The appointment is terminable by either party by giving three months prior notice to the other.

An abstract of the variations in the terms of appointment of Mr A K Mukherjee and Mr Nadeem Kazim pursuant to Section 302 of the Companies Act, 1956 has already been sent to the Members in the second week of May, 2013.

The Board considers the variations in the terms and conditions of appointment of Mr A K Mukherjee and Mr Nadeem Kazim on the terms set out above to be in the interest of the Company and therefore recommends that these resolutions be adopted by the Members.

Except Mr A K Mukherjee and Mr Nadeem Kazim no other Director is concerned with or interested in the aforesaid respective resolutions.

Item No. 11

The Board of Directors of the Company, at its Meeting held on 29th April 2013, appointed Mr Subir Chakraborty as an Additional Director and Whole-time Director, designated as Director - Industrial, for a period of five years from 1st May, 2013 to 30th April, 2018, subject to the approval of the Members in General Meeting. Pursuant to Article 104 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956, Mr Chakraborty will hold office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice in terms of Section 257 of the Companies Act, 1956 from a Member proposing that Mr Chakraborty be appointed as a Director of the Company.

Brief particulars of Mr Subir Chakraborty, as required under Clause 49 of the Listing Agreement, is annexed to this Notice.

The period of service, remuneration payable and the terms and conditions of service of Mr Chakraborty with effect from 1st May, 2013 are set out below :

Salary	₹ 1,90,000 per month.
Increment	Basic Salary will be increased upto 10% per annum, subject to performance criteria as laid down by the Remuneration Committee of the Board of Directors.
Commission	Commission of 1% of the net profits of the Company computed in the manner laid down in Section 309 (5) of the Companies Act, 1956, subject to a maximum of the annual salary for each year, based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors and payable annually after the annual accounts have been approved by the Board of Directors and Members of the Company.
Performance Bonus	Subject to a maximum amount equivalent to the annual salary based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors.

Duties	Subject to the superintendence, control and direction of the Managing Director and CEO, he shall have the overall responsibility for all matters relating to manufacturing, marketing and sales activities pertaining to the products of the Industrial Group and for that purpose the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated by the Managing Director and CEO.
Period	For a period of five years with effect from 1st May, 2013 to 30th April, 2018.

Other terms and conditions :

Perquisites	In addition to the above salary, increment, commission and performance bonus, Mr Chakraborty shall be entitled to perquisites like furnished accommodation with expenditure on gas, electricity, water, maintenance and repair thereof or House Rent Allowance with expenditure on gas, electricity, water and furnishings, leave travel allowance, medical expenses and medical insurance for self and family, fees of clubs, personal accident and life insurance benefits and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors. Company's contribution to Provident Fund and Pension Fund not exceeding 27% of salary or such percentage limit as may be prescribed under the Income Tax legislation. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and leave including encashment of leave at the end of the tenure, as per Company's policy. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rule, perquisites shall be evaluated at actual costs. Provision for use of Company's cars and telephones at residence (including payment for local calls and long distance calls) shall not be included in the computation of perquisites. The overall amount of perquisites shall not exceed an amount equal to the annual basic salary. In computing the monetary ceiling on perquisites, Company's contribution to Provident Fund, Pension Fund and Gratuity shall not be taken into account.
Minimum Remuneration	In the absence of or inadequacy of profits in any of the financial years of the Company during the tenure Mr Chakraborty shall be entitled to such remuneration by way of salary along with perquisites, benefits and other allowances as detailed above not exceeding such sum as may be prescribed under Schedule XIII of the Companies Act, 1956 from time to time.
General	In addition, the contract of appointment shall set out the usual rights and obligations of the parties.
Termination	The appointment is terminable by either party by giving three months prior notice to the other.

An abstract of the terms of appointment of Mr Subir Chakraborty pursuant to Section 302 of the Companies Act, 1956 has already been sent to the Members in the second week of May, 2013.

The Board considers the aforesaid appointment of Mr Subir Chakraborty, on the terms set out above, to be in the interest of the Company and recommends that the resolution be approved by the Members.

Except Mr Subir Chakraborty, no other Director is concerned with or interested in the aforesaid appointment.

Item No. 12

Mr Rajesh G. Kapadia, by virtue of his varied experience in the field of finance, law, general management and business strategy and structuring, is valuable to the Board of Directors of the Company. The Company will immensely benefit from his advice. To compensate for the demands on his time and the contributions made by him, it is proposed to pay remuneration by way of commission of upto one per cent of the net profits of the Company computed in the manner referred to in Sections 198, 309 and all other applicable provisions of the Companies Act, 1956 with effect from April 1, 2013, provided that such commission in any financial year shall not exceed ₹ 40,00,000 (Rupees Forty lakhs only) per annum (subject to deduction of applicable taxes) to Mr Rajesh G Kapadia, in addition to the sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

The Directors recommend adoption of the Resolution at Item No.12.

None of the Directors except for Mr Rajesh G. Kapadia is concerned with or interested in this Resolution.

Registered Office :
Exide House
59E Chowringhee Road
Kolkata 700 020

Date : 29th April, 2013

By Order of the Board

S Coomer
Company Secretary and
Executive Vice President - Legal &
Administration

Information pursuant to Clause 49 of Listing Agreement with regard to the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting (Refer Item Nos. 3, 4, 6, 7, 8 and 11 of the Notice)

Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships/Other Committee memberships* held
Mr S B Raheja	03.01.1964	Mr Raheja holds a Bachelor's degree in Business Administration and has over 27 years of experience in business management.	NIL	**Directorships :** 1. Prism Cement Limited 2. Supreme Petrochem Limited 3. ING Vysya Life Insurance Company Limited **Committee Memberships :** Membership of Shareholders'/ Investors' Grievance Committee 1. Supreme Petrochem Limited
Ms Mona N Desai	22.10.1968	Ms Desai is a Graduate in Psychology and holds a Law Degree from the Government Law College, Mumbai. She is a Solicitor and legal practitioner. She is a Member of the Bombay Incorporated Law Society.	78666	**Directorships :** 1. Sir Mathuradas Vissanji Foundation **Committee Memberships** NIL
Mr Sudhir Chand	21.08.1947	Mr Sudhir Chand is an electrical engineer from BITS Pilani with Diploma in marketing management, University of Bombay and Executive Development programmes at IIM Ahmedabad and Cranefield School of Management, UK. Mr Chand has over four decades experience in various functions of general management, marketing, sales, manufacturing, HR and consultancy. After working with Exide Industries Limited for 28 years, Mr Chand retired from the Company in 2006 as Director - Corporate Affairs.	18872	**Directorships :** 1. ESAB India Limited 2. BOI-AXA Investment Managers Pvt Ltd 3. Inflexion Management Services Pvt Ltd 4. Chands Management Services Pvt Ltd **Committee Memberships :** Membership of Audit Committee 1. ESAB India Limited 2. BOI-AXA Investment Managers Pvt Ltd Membership of Shareholders'/ Investors' Grievance Committee 1. ESAB India Limited

Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships/Other Committee memberships* held
Mr P K Kataky	15.07.1948	Mr Kataky holds a B.E. (Electrical) degree from Assam Engineering College, Guwahati. He has over 42 years of experience in manufacturing and marketing and is associated with the battery manufacturing industry for over two decades.	6570	**Directorships :** 1. Chloride Metals Limited 2. Chloride Alloys India Limited 3. Chloride International Limited **Committee Memberships :** Membership of Audit Committee 1. Chloride Metals Limited
Mr Gautam Chatterjee	25.02.1950	Mr Chatterjee holds a Bachelor's of Engineering degree from the Regional Engineering College, Durgapur and also holds a Post-Graduate Diploma in Business Administration from Indian Institute of Management, Ahmedabad. Mr Chatterjee has spent over two decades in the Company and has a wide range of experience in manufacturing and marketing.	NIL	**Directorships :** 1. Chloride Power Systems & Solutions Limited 2. Chloride Alloys India Limited 3. Chloride International Limited 4. Haldia Integrated Development Agency Limited **Committee Memberships :** Membership of Audit Committee 1. Chloride Alloys India Limited
Mr Subir Chakraborty	30.09.1957	Mr Chakraborty is a mechanical engineer from IIT, Madras and PGDM from IIM, Kolkata. He has vast experience in marketing, sales, projects and general management. Prior to joining the Company in 1996, Mr Chakraborty was the Chief Executive Officer of MSA (India) Ltd., a joint venture between the Company and Mining Safety Appliances Company, USA.	106	**Directorships :** 1. Chloride Power Systems & Solutions Limited **Committee Memberships** NIL

*Committee Memberships include only Audit Committee and Shareholders' / Investors' Grievances Committee

Registered Office :
Exide House
59E Chowringhee Road
Kolkata 700 020

Date : 29th April, 2013

By Order of the Board

S Coomer
Company Secretary and
Executive Vice President - Legal &
Administration

DIRECTORS' REPORT TO THE SHAREHOLDERS

(including Management Discussion & Analysis)

Your Board of Directors are pleased to present the 66th Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2013.

Economic Environment

After the global financial crisis in 2008-2009, due to the fiscal and monetary packages announced by the Government of India, the Indian economy recovered strongly and the rate of growth which was 6.7% in 2008-09 grew to 8.6% in 2009 -10 and thereafter climbed upto 9.3% in 2010-11. However, the unforeseen fallout of this spurt in growth, which gave a boost to consumption but with supply side constraints, was unbridled inflation. The Reserve Bank of India therefore had no option but to drastically tighten the money supply which in turn adversely affected investments. Due to such policy, along with certain other adverse developments, both internal as well as external, the growth rate in 2011-12 fell sharply to 6.2% and thereafter plummeted to 5% in 2012-13. This slowdown has been across the board for all sectors with none of the sectors of the economy performing better than previous year. Though wholesale price inflation did witness a downward trend towards the end of the year but food inflation continued to be high - resultantly, the consumer price index hovered around double digits. Due to the tight monetary policy continued by the Reserve Bank of India throughout the year, investments started further slowing down thereby causing further stagnation in growth. As a result of the slowdown, tax and other revenue collections also fell sharply whereas, on the other hand, due to rise in crude prices the subsidy bill started shooting up.

The slowdown in growth was primarily attributable to the industrial sector which registered a growth rate of only 3.5% and 3.1% in 2011-12 and 2012-13 respectively. Within this, the growth of the manufacturing sector was even lower at 2.7% and 1.9% for these years respectively. Due to the sub-optimal monsoon, especially in the initial stages, the growth in agriculture was also weak. The services sector, which has been continuously witnessing a double digit growth for five years, also declined to less than 7% in 2012-13 with trade, hotels, restaurants, transport and communication being the worst affected. Whilst exports shrank, due to low demand the imports continued to be high. Apart from oil, gold imports surged and with a gross depreciation in the Rupee it resulted in a large trade deficit. All these factors alongwith minimal inflow of foreign capital resulted in a high Current Account Deficit. Though there was a cry for reduction in interest rates and also to increase liquidity in the system due to double-digit inflation in the consumer price index the Reserve Bank of India treaded cautiously. Subsequently, the meagre reduction in rates of interest announced by the RBI during the second half of the year could not stimulate investments and growth.

On the external front the global economy continued to be sluggish mainly due to crisis in the Euro zone and the uncertainties about the fiscal policies of the United States of America. As per data released by the International Monetary Fund the rate of growth of world output came down to around 3% in 2012 from 5% in 2010. For the advanced economies this growth in output was a meagre 1% in 2012. The faster growing emerging economies like Brazil and China, which had a blazing track record of growth, also slowed down considerably during this period. Incidentally, even with the very modest growth of 5%, India recorded the second highest growth rate after China in the previous year.

However, after the dismal economic performance in 2012-13, it appears that there would be a gradual turnaround in the current fiscal. As per analysts, the Indian economy has "bottomed-out" and should not de-grow any further. The pressures on inflation are easing, gold imports have been contained, international crude prices fallen sharply and a normal monsoon has been predicted for 2013-14. Resultantly, there are high expectations that the monetary policy would be eased which would lead to higher investments and savings. Fiscal consolidation and reducing the Current Account Deficit are now of prime importance. Needless to mention the country is also looking up to the Government to announce some big ticket reforms. The US economy also appears to be taxing for takeoff with increase in productivity and job opportunities being noted. The growth prediction for India for 2013-14 is now optimistically being estimated to be in the region of over 6%.

Industry Structure and Development

The domestic battery industry witnessed a mixed fortune in 2012-13. Sales of automotive batteries were severely affected due to an unprecedented slowdown in the automobile industry. Growth in production and sales of passenger vehicles during 2012-13 was around 3% and 2% respectively as compared to the previous year. The total commercial vehicle segment recorded a de-growth of over 10% in production and 2% in domestic sales as compared to the last year. Medium and heavy commercial vehicles saw a de-growth in production and domestic sales during this period by over 27% and 23% respectively. Production of light commercial vehicles recorded practically a flat growth whilst domestic sales showed a better performance of 14%. In the 3-wheeler segment though there was a slight increase in domestic sales of around 5%, production registered a de-growth of more than 4% as compared to the previous year. In the case of 2-wheelers there was a growth of only 2% in production and 3% in domestic sales. In case of exports also there was a de-growth of around 1% in 2012-13 as compared to 2011-12. Though passenger vehicle exports showed a growth of 9% there was a de-growth in all other segments, viz. commercial vehicles, two-wheelers and three-wheelers.

The major reasons for the dismal performance can be attributed to inflationary pressures, rise in fuel prices, high cost of borrowing, increase in input cost, adverse foreign exchange rate, some industrial unrest and above all an overall negative sentiment.

The industrial battery segment also continues to pass through difficult times with major de-growth in telecom and stagnation in traction and power segments. 16407 MW of power generation capacity was added in 2012-13 which is 20% less than the generation capacity of 20502 MW added during 2011-12. In its report titled "Asia Power Utilities" by the Moody's Investors Service, the outlook for the Power Sector in India is described as negative. Export of industrial batteries also recorded negative growth due the recessionary conditions in Europe. However, the Home UPS/Inverter segment continued to grow due to recurring power shortages in certain States.

Performance

Your Company recorded a net sale of ₹ 6071.37 crores in 2012-13 as compared to ₹ 5110.06 crores in the previous year. The Profit Before Tax stood at ₹ 742.28 crores in 2012-13 as compared to ₹ 645.17 crores in the previous year. Inspite of difficult market situation your Company was able to record over 19% growth in net sales with a corresponding growth of 15% in Profit Before Tax. The profitability was largely affected due to high price of imported lead, which is the major raw material, for the major portion of the year compounded by the high depreciation of the Rupee. For several months your Company was not in a position to pass on the increase in cost of materials to its customers due to price sensitivity especially in the OEM Automotive business. Subsequently, however, your Company was able to renegotiate and received price increases from the OEMs for both Automotive as well as Industrial batteries and the prices in the aftermarket segment were also increased.

Automotive Batteries

Sales of automotive batteries registered an overall value growth of 18% as compared to that of the previous year. Though the aftermarket in the four and three wheeler battery segments registered a handsome unit growth of 21% there was 7% de-growth in OEM in the same segment. This de-growth was mainly due to the all round stagnation in certain sectors of the automobile industry as well as your Company giving up some unprofitable OEM business. However, inspite of a meagre growth of 2% in two-wheeler sales your Company registered a unit growth of 19% in this segment as compared to the previous year.

Your Directors are also pleased to announce that your Company has fully regained its market share in automotive batteries in replacement market which was partially lost during the previous couple of years mainly due to capacity constraints. Your Company continues to remain the preferred supplier for almost all vehicle manufacturers in India and apart from domestic consumption, orders have also been received for supply of batteries in vehicles for the export market. Your Company is also the only domestic supplier of lithium-ion batteries for electrical vehicles to Mahendra-Reva.

Industrial Batteries

Net sales of Industrial batteries for the year ended 31st March, 2013 was around ₹ 2160 crores, as against last year's sales of around ₹ 1801 crores, registering a growth of around 20%, in terms of value with a corresponding volume growth of around 9%. Your Company has been able to increase its market share in the domestic market, despite adverse economic conditions. Overall Infrastructure business has shown a volume growth of 15%, mostly contributed by Solar and Projects segments. Recent upsurge in Solar applications has helped your Company to achieve a healthy value growth of 80% followed by a robust 33% growth in Projects. However, there is a slowdown in Telecom, Traction and Power segments. In the Fast Moving Industrial Battery segment, sales recorded a growth of around 28%.While your Company has been able to maintain its share with major UPS OEMs, Trade sales registered a comfortable growth of 12% by volume and 27% by value.

Submarine

Sales of submarine batteries at ₹ 43 crores were an increase of 74% over the sales of the previous year. Your Company continues to be the sole manufacturer of submarine batteries in India and has achieved a significant reputation in manufacture of these high quality and high capacity special types of batteries. A prestigious order for supply of batteries for the second nuclear submarine from the Indian Navy was received. Your Company, which is an accredited supplier to the Admiralty Shipyard Russia, is also exploring possibilities of exporting to other countries subject to Government of India's approval.

Home UPS

As you are aware, due to synergistic benefits and for strategic reasons your Company has recently commenced manufacturing and marketing of Home UPS. During the year, your Company acquired its second Home UPS manufacturing facility at Haridwar, Uttarakhand. With this acquisition your Company presently has two Home UPS manufacturing facilities. The Home UPS manufactured by your Company are based on the superior Sine-Wave technology and has been very well accepted in the market.

Exports

Export of automotive batteries recorded a 31% growth in value as compared to the previous year. Successful inroads were made into Middle East countries and Myanmar for automotive batteries. However, due to global economic slowdown especially the recessionary conditions in Europe, exports of Industrial batteries showed a de-growth of nearly 22%. This was, however, excluding the industrial batteries exported by your Company to its wholly owned subsidiary, Chloride Batteries S. E. Asia Pte. Limited based at Singapore. Apart from its traditional markets, your Company made a foray into certain African countries for export of industrial batteries.

Details of activities relating to exports is given in Part III of the Information as per Section 217(1)(e) of the Companies Act, 1956, which is annexed to this Report.

Technology Up-gradation

Your Company has continuous focus on upgrading its technology and also acquiring new technology for meeting the increasing demands of the varied customers. Apart from R&D activities, both in-house as well as through partnerships with various research / educational institutions, your Company has technical collaborations with leading international battery companies both for acquiring new technology as well as up-gradation of its existing technology.

Your Board is pleased to inform you that in February 2013 your Company entered into a new Technical License and Assistance Agreement with Shin Kobe Electric Machinery Co. Ltd., Japan (a HITACHI Group Company) to implement new manufacturing processes for automotive batteries. Under this Agreement Shin-Kobe Electric Machinery Co. Ltd., Japan, will be providing technology and extensive technical support and assistance to manufacture quality automotive batteries in your Company's various plants. This new technology would enable your Company to not only manufacture superior batteries but is also expected to result in cost reduction.

Your Company has an ongoing agreement with East Penn Manufacturing Company, USA, a leading manufacturer of high quality lead acid storage batteries and accessory products. Under this arrangement, East Penn will be providing technical assistance and support for the manufacture of automotive, motive power, standby, telecom, UPS, solar and traction batteries for your Company's various plants in India. This technical assistance will include a wide range of activities including the enhancement of processes for manufacturing, designs, quality control and procurement. East Penn is also providing technical assistance and support to the two captive smelters of your Company located near Pune and Bangalore. East Penn will also assist in the implementation of measures to continuously improve on the various local environmental and health parameters as well as global standards.

Apart from the above, your Company also has subsisting agreements with Furukawa Battery Co. Ltd., Japan for Lead-Acid Storage Batteries including Hybrid Batteries and Maintenance-Free Batteries for four-wheelers and for Idle Stop-Start (ISS) Automotive batteries. Your Company also has agreements with Shin-Kobe Electric Machinery Co. Ltd., Japan for a variety of lead-acid batteries and components used for starting, lighting and ignition of automobile and VRLA batteries for industrial applications.

The in-house R&D Division is also engaged in development of new products and technology. It continuously strives for improvement in manufacturing processes and materials with a view to achieve technological advantages and cost savings.

Foreign experts are regularly engaged from time to time for advising on operational processes and best manufacturing practices. The Company's engineers also undergo frequent training and knowledge sharing both at the foreign collaborators facilities as well as by extensively attending international seminars and conferences.

Financial Results

	₹ Crores	
	2012-2013	2011-2012
Profit before depreciation, exceptional Item & tax expenses	855.76	745.85
Depreciation and amortisation expenses	113.48	100.68
Exceptional Item	–	–
Profit before tax	742.28	645.17
Tax expenses	219.50	184.00
Profit after tax	522.78	461.17
Balance brought forward	1208.75	967.36
Making a total of	1731.53	1428.53
Out of this appropriations are :		
General Reserve	55.00	50.00
Contingency Reserve	–	25.00
Leaving a balance of	1676.53	1353.53
Interim Dividend (100%) (Previous year – 90%)	85.00	76.50
Tax on Interim Dividend	13.79	9.25
Proposed Final Dividend (60%) (Previous year - 60%)	51.00	51.00
Tax on Final Dividend [Aggregate Dividend amounts to 160% (Previous year - 150%)]	5.75	8.03
And leaving a balance of (which is carried forward to next year)	1520.99	1208.75

Consolidated Financial Statements

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

Dividend

Your Company has paid an interim dividend at the rate of 100% i.e. @ ₹ 1.00 per equity share of ₹ 1 each (Previous Year 90%) on the equity shares to the shareholders, whose names appeared on the Register of Members on 1st November, 2012. Your Directors are now pleased to recommend a final dividend at the rate of 60% i.e. ₹ 0.60 per equity share of ₹ 1 each (Previous Year 60%) for the year ended 31st March, 2013, subject to your approval at the ensuing Annual General Meeting. Consequently, the total dividend for the year ended 31st March, 2013, including the interim dividend paid during the year, amounts to 160% i.e. ₹ 1.60 per equity share of ₹ 1/- each (Previous Year 150%).

Corporate Governance

As has been mentioned in the earlier Directors' Reports, transparency is the cornerstone of your Company's philosophy and all requirements of Corporate Governance are adhered to, both in letter and spirit. The Audit Committee of the Board meets at regular intervals as required in terms of Clause 49 of the Listing Agreement. Your Board of Directors has taken necessary steps to ensure compliance with all statutory and listing requirements. The Directors and key management personnel of your Company have complied with the Code of Conduct which was put in place by the Board of Directors.

The Report on Corporate Governance as required under the Listing Agreement forms part of and is annexed to this Report. The Auditors' Certificate on compliance with Corporate Governance requirements is also attached to this Report. Further, as required under Clause 49 (V) of the Listing Agreement a certificate from the CEO and CFO is being annexed with this Report.

Business Responsibility Report

The Ministry of Corporate Affairs, Government of India has issued the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These Guidelines contain certain Principles which are to be adopted by companies as part of its business practices and disclosures regarding the steps taken to implement these Principles through a structured reporting format, viz. Business Responsibility Report, has been specified. SEBI has made it mandatory for the top 100 listed Companies, based on market capitalization at Bombay Stock Exchange and National Stock Exchange as on 31.3.2012, to include a Business Responsibility Report as part of the Annual Report of such Companies. Your Company being one of the top 100 listed Companies based on its market capitalization as on 31.3.2012 has accordingly included a Business Responsibility Report as a part of this Annual Report

Business Operational Excellence

In line with your Company's vision of providing credible value addition to stakeholders and achieving operational excellence, a comprehensive Total Quality Management (TQM) system has been established throughout the organization. During the excellence journey spanning more than a decade, the TQM system has been improved and upgraded to meet the strategic challenges of the business. International Quality, Environment, Occupational Health & Safety Standards, the latest techniques of Total Productive Maintenance (TPM), Lean Manufacturing and 6-Sigma form the backbone of your Company's endeavour towards Business Excellence.

Your Company's factories, which are of exacting standards, comparable to the world's best, manufacture and deliver a wide range of products of highest quality that continually meet the demanding requirements of diverse customers. Quality is built into the products throughout the value chain. Starting from the conceptual design stage at R&D throughout the product realisation process to the after sales service sophisticated techniques like Advanced Product Quality Planning (APQP), Failure Mode & Effect Analysis (FMEA), Statistical Process Control (SPC), Measurement System Analysis (MSA), Process Capability Studies, Poka Yoke (mistake-proofing) and cut-open analysis are used ensuring adherence to specifications, continual monitoring and improvement, minimal scrap and rework resulting in maximizing customer satisfaction.

TQM being a strategic initiative, as expected, your Company has passed through several milestones in the never-ending journey of

Business Excellence. The efforts have been widely acknowledged and recognized by stakeholders.

Regarding the Quality Management System (QMS), the Automotive SBU is certified to ISO/TS-16949:2009 and the Industrial SBU and Submarine SBU to ISO 9001:2008. The certifications awarded after rigorous auditing by the renowned Certification Body TUV-Nord (headquartered in Germany) include all business processes of Corporate, R&D, Manufacturing, Marketing, Sales and After-Sales-Service.

In support of its the core value of striving for Excellence, your Company has been progressively implementing the best international Excellence Model as defined by the European Foundation for Quality Management (EFQM). The Hosur plant has already crossed the Significant Achievement Award level in 2009. Your other plants are also practicing these models and striving towards achieving similar honours.

In the recent past, your Company has won several prestigious awards and accolades in quality, Safety-Health-Environment, 5-S, Energy Conservation, Productivity and Quality Circles that include Asia Manufacturing Excellence Award from Frost & Sullivan, 5-S award from ABK –AOTS, and TQM Role Model Awards from CII. Carrying the tradition forward, the Haldia factory has won the Productivity Award from CII in 2012. Your Company also has won several awards and accolades from valued customers like Toyota, Tata Motors, Bajaj. In 2012, the Hosur plant won the Zero PPM Award from Caterpillar and Taloja plant won the Best Vendor Award from Mahindra & Mahindra (Tractor Division). The Quality Circle teams, run by workmen, contribute towards problem solving and continuous improvement and have presented case-studies at different forums. They have been regularly winning awards and accolades at state and national levels from Quality Circle Forum of India and CII.

Excellence includes improvements in efficiency and effective untilisation of plant and equipment. Towards this important objective, your Company has implemented Total Productive Maintenance (TPM) in the factories. The best methodology as defined by the Japanese Institute of Plant Maintenance (JIPM) is being followed. As a mark of acknowledgement of efforts in TPM, the JIPM has conferred the "Award of TPM Excellence" to Haldia plant in 2008, to Hosur and Chinchwad plants in 2010 and to Taloja plant in 2011. Efforts are on-going to reach higher levels of achievement.

Environment and Safety

In line with our vision of being recognized as a responsible Corporate citizen, an effective Environment Management System (EMS) has been implemented in your Company. The Shamnagar, Haldia, Hosur, Taloja, Chinchwad and Bawal plants are certified to ISO 14001:2004. Rigorous surveillance audits by TUV-Nord have proved that your Company not only fulfills all the statutory and regulatory environmental norms but has also continually improved its environmental performance over the years.

To further raise the bar, the Environmental Policy has been revised in December, 2012 to make it more stringent and forward looking towards sustainability. Optimal utilization of resources, minimization of waste, prevention of pollution and minimizing the adverse impact of our activities, products and services continue to be fundamentals of our Environmental Policy, while new dimensions have been added like, reducing carbon footprint, promotion of energy efficiency and introduction of environment friendly technologies.

To achieve our policy objectives, the products and processes are designed and operated optimally. As part of the QMS and EMS, various improvement projects are undertaken to improve quality, reduce cost, conserve energy and reduce any adverse environmental impacts. The efforts have been rewarding. Apart from internal benefits, your Company had in earlier years been awarded the prestigious TERI Corporate Environment Award and also the Best Innovation Award for Leadership and Excellence in Environment-Health-Safety from CII.

Occupational Health & Safety of employees continue to be a focus area in your Company. This commitment is demonstrated through the implementation of the OHSAS 18001:2007 international standard in the factories. The Hosur and Taloja plants have been certified, and other plants are expected to be so in the near future.

Corporate Social Responsibility

After more than sixty five years of existence your Company's role and contribution today extends far beyond manufacturing cutting-edge power storage products only. Wherever your Company operates, it is seen by its local stakeholders as not just a large manufacturing unit but as an integral part of the society, whose existence provides social benefits and enhances the social infrastructure of the nearby areas.

Your Company strives to discharge this trust that the local community reposes in it with utmost sincerity, responsibility and commitment. Your Company is not just a job provider in the localities where it operates but has a much wider responsibility of creating or enhancing the social infrastructure like educational and healthcare facilities, amongst others.

Most of the large manufacturing facilities of your Company have structured CSR programmes that run round the year and are tailored to the local needs of the community.

While different factories provided micro-level support to the local communities in their immediate vicinity, on a pan-India basis your Company's partnership programme with UNICEF for their Child Environment Programme continued for the year under review. This initiative not only endeavours to positively impact the lives of children and women in the rural areas but is also linked to battery recycling – an environmentally desirable activity. During the year under review the factories concentrated on providing help to the local communities in the areas of education and primary health care facilities for disadvantaged children. Students from the local schools were given active support in the form of donation of books, computers and other teaching materials. Other than education, help was also extended to the local health care units for treating the poor and underprivileged communities.

Exide's association with the noted NGO – CINI-Asha continued throughout the year. Under the project "Lighting Young Lives – Improving Child Health Outcomes Through Community Participation" more than one hundred and fifty deprived children in the age group of 2-6 years in a large urban slum near Kolkata are provided education and basic health care facilities.

Internal Controls

Your Company has proper and adequate system of internal controls. The Internal Audit team conducts both systems and financial audit which are carried out in two phases at each Factory, Branch, Regional and Corporate offices. The audit findings are reviewed by the Audit Committee of Directors and corrective action, as deemed necessary, is taken. Your Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

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

Outlook

With the rate of inflation showing a downward trend it is expected that the Reserve Bank of India would reduce the interest rates further in the near term. Further, major policy decisions are also expected to be announced by the Government to encourage savings and increase investments. The opening up of the aviation and retail sectors and the anticipated relaxation of ceiling limits on foreign investments in insurance sector is expected to result in significant foreign exchange inflows. Large amount of funds have already started flowing into the capital markets from FIIs during the current financial year. The softening of prices of crude and fall in the imports of gold would also result in a positive balance of payments situation. On the international front, the economy of USA is already showing signs of recovery. All these should lead to a positive impact on the various sectors of the Indian economy and result in buoyancy in the market.

The automobile industry is also expected to witness a surge and inspite of the current dismal performance the medium to long term prospects of the automobile industry are encouraging. As per earlier forecasts the total automotive market was expected to grow by double digits annually during this decade and though there has been an aberration in 2012-13 the situation is likely to improve henceforth. India, as stated in our earlier Directors' Reports, is emerging as a small car hub in the Asia-Pacific region. Almost all major international automobile car manufacturers have their manufacturing base in India. These manufacturing units would not only cater to the domestic consumers but also to the export markets. The demand for high-end and premium cars is also growing at a rapid pace. All these factors should lead to better prospects for your Company in the automotive sector.

With the thrust towards clean and renewable energy like solar and wind power the requirement for batteries would also increase manifold. Further, in the traction battery segment new opportunities are arising in the material handling applications in the food, pharmaceutical and textile industries where clean environment is essential in the manufacturing facilities. Massive investments are also planned on infrastructure, especially in road, ports, power, coal etc., which were kept on hold and are now expected to be accelerated both by the Government directly as well on a private/public partnership basis. The large shortfall in the demand and generating capacity of power in the country is likely to widen further which would result in robust demand for the Home UPS/Inverter batteries. Modernisation of Railways and commissioning of the Nuclear Power Plants should also result in the industrial battery business having better growth prospects.

As per industry estimates the unorganized sector caters to nearly half of the demand of batteries in India. However, the demands for technologically superior products by the growing middle class with higher disposable incomes would lead to increase in demand for your Company's products. The demand is also shifting towards products with higher Ah and longer warranty periods which can only be offered by the organized sector. The demand for VRLA and tubular batteries from the traditional flat plate batteries are also growing and the unorganized sector will find it increasingly difficult to cope up with these technological advancements. The stricter pollution control norms, which would entail high investments, would definitely act as a deterrent for the unorganized sector to compete with the established players.

Opportunities and Threats

Technology continues to be a prime focus area of your Company and with both the strong in-house R&D activities and assistance from the technical collaborators your Company would be in a position to continuously introduce technologically superior products with sustainable quality at competitive prices. Your Company also continues to invest heavily in capacity expansion as well as in upgrading its manufacturing processes. The robust distribution set up and after sales service are strong pillars of your Company. Presently, your Company is operating from over 200 locations which have enabled your Company to market as well as provide after sales services to customers in Tier II & III cities. The Project Kisan initiative has also enabled your Company to reach its products to nearly all remote locations. Through various marketing initiatives and by further strengthening the distribution network your Company would be able to reap more dividends from the vastly untapped semi urban and rural markets.

As you are aware, your Company has already made a foray into new generation products like batteries for electric and hybrid vehicles and development of environmental friendly storage power alternatives. Various innovative products like the Intelligent batteries and batteries with Tubular Gel technology etc. are continuously being added to strengthen your Company's product portfolio.

Following the buoyancy in the automobile industry for the past few years apart from local players several international battery manufacturing companies are setting up their manufacturing facilities in India. This would lead to competition, which though beneficial to the consumers at times, may also result in unfair trade practices and predatory pricing which may ultimately lead to pressure on the margins.

Risks and Concerns

The price of lead, which is a major constituent of your Company's products, is extremely volatile and therefore has a major impact on the costs. The gradual weakening of the Rupee is also a serious cause of concern since it severely affects the margins as your Company has a large dependence on imported lead and other raw materials. Your Company therefore monitors the situation on a continual basis and through prudent business practices seeks to mitigate the risks. As you are aware, to reduce its dependence on imported lead your Company had acquired two smelting units a few years earlier. The acquisition of these two smelting units for captive consumption has resulted in substantial reduction in import of lead over the years.

Since the economy in the industrialized nations in the West continues to de-grow or stagnate, cheap imported batteries are available in the market in large quantities. Unfortunately, the ineffective and long term process under the anti-dumping laws may not provide adequate protection against such menace. However, majority of the customers continue to repose faith in your Company's products due to its better quality and prompt after sales service.

Subsidiaries

At the beginning of the year, your Company had four Indian subsidiaries viz. Chloride Metals Limited, Chloride Alloys India Limited, Chloride Power Systems & Solutions Limited, Chloride International 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.

During the year your Company, which previously held 50% of the equity shares of ING Vysya Life Insurance Company Limited (IVL), acquired the remaining 50% of the equity capital of the said Company from the other shareholders. Consequently, IVL has become a 100% subsidiary of your Company. IVL headquartered at Bangalore is engaged in the business of life insurance and providing financial investment products. The total premium collected by the said Company during the year ended 31st March, 2013 was ₹ 1736.72 crores which was around 4% higher than the previous year. The said Company recorded a profit of ₹ 23.07 crores against a loss of ₹ 31.15 crores in the previous year.

Chloride Metals Limited, which is a 100% subsidiary of your Company is engaged in lead smelting and refining operations and has its Plant at Markal, Pune. The said Company achieved a net sale of ₹ 516.59 crores which was 17% higher than the previous year and a profit before tax of ₹ 17.56 crores which was 27% higher than the previous 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 Chargers, DC Power Systems and associated equipment. During the year 2012-13, the said Company achieved a turnover of ₹ 75.73 crores and a Profit Before Tax of ₹ 6.16 crores representing an increase of 4% and 29% respectively over the previous year.

Chloride Alloys India Limited, a 100% subsidiary of your Company, has its Plant at Kolar District, Karnataka and is engaged in lead smelting and refining activities. During the year 2012-13 the said company has achieved a turnover of ₹ 702.38 crores as compared to ₹ 850.08 crores of the previous year and a Profit Before Tax of ₹ 18.43 crores representing a 49% increase over ₹ 12.35 crores in the previous year.

With the re-organisation of business activities since 1st May, 2011, Chloride International Limited is presently not engaged in any trading or manufacturing activity and has income from rent and interest on securities. The income of Chloride International Limited during 2012-13 amounted to ₹ 0.49 crores with a Profit Before Tax of ₹ 0.34 crores.

Your Company also holds 100% of the share capital in Chloride Batteries S. E. Asia Pte. Ltd., Singapore. The said company is engaged in the business of lead acid batteries and caters to the South East Asian and Australian markets. During the year 2012-13 the said Company achieved a turnover of SGD 35.14 million and Profit Before Tax of SGD 1.63 million representing a growth of 1% and 12% respectively over the previous year.

Due to a buy-back of shares by Espex Batteries Limited, UK, during the year under review, the shares held by your Company in the said Company increased from 51% to 100%. This Company is engaged in marketing and selling of lead acid batteries for industrial applications. During the year 2012-13 the Company achieved a turnover of GBP 5.04 million and made a Profit Before Tax of GBP 18,267.

Your Company also holds 61.5% 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 2012-13 the said company achieved a turnover of SLR 2099 million and Profit Before Tax of SLR 150.1 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 no. 2/2011 dated 8.2.2011 issued by the Government of India, Ministry of Corporate Affairs. However, the necessary details about the Subsidiaries are given in the Consolidated Financial Statements attached to the Annual Accounts. Further, any shareholder of the Company or the Subsidiary Companies may obtain copies of these documents by writing to the Company Secretary at the Registered Office of your Company. Copies of the Annual Accounts of the Subsidiaries would also be available for inspection by any such person at the Registered Office of your Company on any working day.

Human Resources

Your Company continues to remain true to its conviction that its employees are the most valuable asset, the key differentiating factor in your Company's success as an organization. Accordingly, there is a constant endeavour to drive human capital development and employee engagement, with the ultimate objective of unleashing people potential and capability. The policies and interventions for attracting, retaining and rewarding talent are objective and transparent to identify, nurture & reward performers. Robust processes for capability building, talent assessment and talent management are geared towards taking the organization to the next level. Succession Planning continues to be a priority in the journey towards building a sustainable leadership bench-strength for the future.

Long term agreements at factories continue to be settled amicably and industrial relations remain cordial.

As on the date of this Report, your Company has 4898 employees on its payroll.

Directors

Mr Bhasker Mitter, resigned from the Board of Directors with effect from 1st August, 2012 Mr Mitter was associated with your Company as a Director since October, 1966. Your Directors wish to place on record its deep appreciation for the valuable services rendered by Mr Bhaskar Mitter during his long association as a Director of your Company.

The Board of Directors at its meeting held on 19th October, 2012 appointed Mr Sudhir

Chand as an additional Director to hold office till the ensuing Annual General Meeting of the Company. A Notice has been received from a Member under Section 257 of the Companies Act, 1956 proposing the appointment of Mr Sudhir Chand as a Director of the Company at the ensuing Annual General Meeting.

Mr T V Ramanathan, Managing Director and Chief Executive Officer will be retiring from the services of the Company with effect from the close of business on 30th April, 2013. Mr Ramanathan joined the services of the Company in 1995 and was appointed the Managing Director & Chief Operating Officer in April 2000 and took over the responsibilities as Managing Director & Chief Executive Officer since May 2007. Your Board of Directors wishes to record its sincere appreciation for the services rendered by Mr T V Ramanathan during his long association with the Company.

Your Board of Directors at its meeting held on 29th April, 2013 appointed Mr P K Kataky as the Managing Director and Chief Executive Officer with effect from 1st May, 2013. Mr Kataky has been heading the automotive business of the Company as Director-Automotive since March 2005. At the said Meeting, your Board of Directors also appointed Mr Gautam Chatterjee, presently Director-Industrial, as Joint Managing Director with effect from 1st May, 2013. Mr Chatterjee, will be heading the automotive and submarine batteries business of your Company. At the said Meeting, Mr Subir Chakraborty was also appointed as additional and whole time Director to be designated as Director – Industrial, with effect from 1st May, 2013. Mr Subir Chakraborty will hold office upto the ensuing Annual General Meeting of the Company. A Notice has been received from a Member under Section 257 of the Companies Act, 1956 proposing the appointment of Mr Subir Chakraborty as a Director at the ensuing Annual General Meeting.

Mr S B Raheja and Ms Mona N Desai, Directors will be retiring by rotation and being eligible seek re-appointment at the ensuing Annual General Meeting.

Necessary information pursuant to Clause 49 of the Listing Agreement in respect of the Directors proposed to be appointed / reappointed at the ensuing Annual General Meeting are given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on 16th July, 2013.

None of the Directors of your Company are disqualified for being appointed as Directors, as specified in Section 274(1)(g) of the Companies Act, 1956.

Auditors

M/s S R B C& Co., the Auditors has been converted to a Limited Liability Partnership with the new name S R B C & Co. LLP with effect from 1st April, 2013. The Auditors, SRBC & Co. LLP retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to be re-appointed for a further term.

M/s Mani & Co., Cost Accountants have been reappointed as the Cost Auditors of the Company for audit of the cost records maintained by the Company for the year ended 31st March, 2013.

The due date for filing the Cost Audit Report for the financial year 2012-2013 is 30th September, 2013.

Information pursuant to Section 217 of the Companies Act, 1956

a. Conservation of Energy and Technology Absorption

Information pursuant to Clause (e) of Sub-Section (1) of Section 217 of the Companies Act, 1956 read with Companies [Disclosure of Particulars in the Report of Board of Directors] Rules, 1988 and forming part of the Directors' Report for the financial year ended 31st March, 2013, are attached hereto.

b. Particulars of Employees

In accordance with the provisions of Section 217 of the Companies Act, 1956 and the rules framed thereunder, the names and other particulars of employees are set out in the annexure to the Directors' Report. In terms of the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the Directors' Report is being sent to all the shareholders of the Company, excluding such annexure. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company.

c. Responsibility Statement

Statement under the amended Section 217(2AA) of the Companies Act, 1956, on the responsibility of the Directors is a part of the Report.

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Board of Directors state:

(i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

(ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.

(iii) 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; and

(iv) That the Directors have prepared the annual accounts on a going concern basis.

Forward-Looking Statements

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

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

Acknowledgement

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

On behalf of the
Board of Directors

Place : Mumbai
Date : 29th April, 2013

R G Kapadia
Chairman

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

I. Conservation of Energy

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

a. Close monitoring of consumption of electricity, LPG, diesel and water.
b. Close monitoring of electricity consumption based on 'KWH/MT of Lead Consumed'.
c. Optimisation of electricity, LPG, diesel and water by reducing process cycle time, process modification and also by equipment modification/replacement/retrofitting.
d. Usage of renewable energy, viz. solar and wind power.
e. Achieving power factor standards nearing unity.

The specific initiatives taken during the financial year 2012-2013 are as follows :-

Chinchwad Plant

1. Power factor maintained at 0.99 resulting in savings of ₹ 54.40 Lacs.
2. Optimised use of energy by switching off machines, lights, fans, air conditioners and exhaust systems during idle time.
3. Use of recycled water only for gardening and shop floor washing.
4. Reduction in compressed air consumption by arresting air leakages.
5. Awareness campaigns for workmen for conservation of energy.
6. Installed 30 nos. FRP Transparent sheets on the roof to maximize use of natural light.
7. Use of LPG instead of electricity for new plate curing and drying ovens.
8. Use of energy efficient T5 tube fittings in new jar formation building and extension of SLI building.

Bawal Plant

1. VFD installed for Plate Cutting Bag Filter Motor resulting in energy saving of 121468 Kwh (₹ 7.89 Lacs) per annum.
2. VFD Installed for VRLA Burning Station Bag Filter Motor resulting in energy saving of 102475 Kwh (₹ 6.67 Lacs) per annum.
3. Optimising Assembly Bag filter with VRLA Burning Station Bag Filter resulting in energy saving of 128100 Kwh (₹ 8.33 Lacs) per annum.
4. Optimizing the power factor by improving the switching time and compensating capacitor to achieve the PF 0.995 resulting in cost saving in terms of Power factor rebate of ₹ 61.60 Lacs per annum.
5. Introducing Power Trading through Open power access through which Direct cost saving is ₹ 102.30 Lacs per annum.
6. Saving with respect to Diesel Generator fuel cost due to power trading (as HSEB power was not available during this period) of ₹ 161.2 Lacs per annum.
7. Substituting LED light in place of SVL through which the cost saving is ₹ 8.2 Lacs per annum.
8. Reduction in Specific Power Consumption in compressor by optimisation of Compressed Air system and Pressure reduction at generation end resulting in Power saving of 40194KWh (₹ 2.81 Lacs) per annum.
9. Reduction in specific consumption of Propane by 34294 Kgs (savings ₹ 19.89 Lacs per annum).
10. 5HP ETP equalization tank pump has been replaced by 2HP maintenance free seal less pump (cost saving is ₹ 0.78 Lacs per annum).

Hosur Plant

1. Reduction of specific energy consumption (KWHr / M.T of Lead consumption) from 994 to 958 KWHr. Total Energy saving for 2012-13 @ 21.28 per unit and total energy cost saving was ₹ 174 Lacs.
2. Reduction of specific LPG consumption (LPG Consumption Kg / M.T of Lead consumption) from 26.47 Kg to 23.49 Kg - Total LPG saving for 2012-13 @ 176 MT and Total LPG cost saving was ₹ 108 Lacs.
3. Fixing targets based on Plant loading and monitoring of Plant loading on a daily basis, scheduling the bulk loads to avoid demand shoot up and penalty from TANGEDCO. Reduction in demand consumption of Average 320 KVA / Month. Total cost saving was ₹ 11.55 Lacs.
4. Deemed demand benefit received from TANGEDCO for purchase of power through interstate open access. Total cost saving for 2012-13 was ₹ 74.39 Lacs.
5. Power factor improvement from 0.990 to 0.994 Lag, and overall 33 KV Main System Harmonics current and Voltage distortion reduction from THDi % from 6.2% to 3.5% and THDv % from 2.3% to <1%.
6. Reduction in specific consumption of Raw Water - 7093 KL (Savings ₹ 2.91 Lacs/annum).
7. Reduction in specific consumption of DM Water - 6798 KL (Savings ₹ 5.1 Lacs/annum).

8. Reduction in specific generation of effluent - 2660 KL (Savings ₹ 4.0 Lacs/annum).
9. By providing sensors reduced running hours of Raw water pump - 23976 KWH (Savings ₹ 1.92 Lacs/annum) and Soft water pump - 19180 KWH (Savings ₹ 1.53 Lacs/annum).
10. By providing timer for cleaning water pump, run hours reduced from 24 hours to 12 hours -28800 KWH (Savings ₹ 2.30 Lacs/annum).
11. Switched to new chillers. Cost Savings by reducing of pumps usage - 47520 KWH (Savings ₹ 3.8 Lacs/annum).
12. Automatic timer panel installed in medium assembly line to control the tube lights in M1, M2 and M3 line automatically. Energy savings ₹ 3.00 Lacs/annum.
13. Installation of a centralized control panel provided with weekly timer to control the fresh air blowers automatically during unproductive hours in casting area. Energy cost saving ₹ 1.44 Lacs /annum.
14. A 40HP VFD connected for forming new scrubber blower. Energy cost saving/annum ₹ 1.65 Lacs.
15. Energy efficient motor provided in VCO oven in the place of conventional motor to reduce the loses and energy consumption. Cost Savings ₹ 1.60 Lacs/annum.
16. 7000 watt power solar panels were installed for supplying power for Auto plant and ETP road lighting.
17. 350kg Biogas plant was setup by utilising canteen waste.

Taloja Plant

1. Reduction of KWH per ton of lead from 771 to 734 by optimization of motors/increasing output of oxide generation/reduction in heating losses, use of 'Z' conveyor/reduction in drying cycle time and change in JF cycle time.
2. Reduction in charging cycle time by using pulse charging at JF resulting in savings of ₹ 26.97 Lacs.
3. Maintaining Power Factor as unity throughout the year resulted in saving of ₹ 39.9 Lacs.
4. Optimization of use of DG's by proper load sharing resulted in saving of ₹ 4.5 Lacs/annum.
5. Switching-off the JF/Formation rectifier to avoid energy loss due to no load losses in the transformers, resulted in savings of ₹ 5.35 Lacs.
6. Use of Star Delta Convertor to conserve energy in blowers of old Formation and optimization of motor in formation resulted in saving of ₹ 11.68 Lacs.
7. Reduction in LPG consumption from 29kg/ton of lead to 28.8 kg/ton of lead by controlling the main line pressure, use of energy efficient LPG burners in Casting crucibles.
8. Extension of common steam generator for all E-Bike Curing Chambers resulted in saving of LPG cost by ₹ 5.4 Lacs/annum.
9. Cycle time reduction in curing process resulting in savings of ₹ 4.79 Lacs/annum.
10. Automatic switching of Cooling Tower Motor and Fresh Air Blower during shift change resulted in saving of ₹ 5.28 Lacs.
11. Replacing tube lights with CFL bulbs at New Mezzanine floor, Stores Building, Expander line.
12. Reduction of Fixed energy consumption by 5% by using solar street light, energy efficient lights in Stores Building.
13. Replacement of old inefficient rectifier transformer by high efficient transformer resulted into saving of ₹ 5.4 Lacs.
14. 100 % use of recycled water for gardening and floor washing.
15. Day light improvement by use of transparent sheet in JF, Pasting, Casting Curing and E Bike area.
16. Increasing number of turbine ventilators to improve ventilation and work environment.

Shamnagar Plant

1. Installation of energy efficient (T5) tube lights resulting in energy savings of 0.40 Lacs Kwh (₹ 2.72 Lacs) per annum.
2. Installation of energy efficient medium bay lights resulting in energy savings of 0.57 lacs Kwh (₹ 3.87 Lacs) per annum.
3. Installation of LED lights in place of conventional tube lights resulting in energy savings of 0.073 Lacs Kwh (₹ 0.49 Lacs) per annum.
4. Installation of additional 700 Kvar capacitor banks to improve power factor resulting in cost savings of ₹ 74.65 Lacs per annum.
5. Interlocking of high capacity blowers with respective machines to reduce idle running resulting in energy savings of 2.11 Lacs Kwh (₹ 14.40 Lacs) per annum.
6. Installation of transparent sheets over roof to reduce lighting loads during day time resulting in energy savings of 0.247 Lacs Kwh (₹ 1.69 Lacs) per annum.
7. Reduction in contract demand with Electricity Company resulting in cost savings of ₹ 59.05 Lacs per annum.
8. Installation of VFD in 2 nos. high capacity blowers resulting in energy savings of 1.69 Lacs Kwh (₹ 11.54 Lacs) per annum.
9. Installation of 1 no. energy efficient compressor in place of old reciprocating compressor resulting in energy savings of 1.33 Lacs Kwh (₹ 9.09 Lacs) per annum.

10. Re-insulation of 6 nos. lead melting Pots resulting in energy savings of 0.89 Lacs Kwh (₹ 6.00 Lacs) per annum.
11. Re-insulation of steam lines, replacement of faulty steam traps and installation of pressure reducing valves resulting in savings of 30KL furnace oil (₹ 12.60 Lacs) per annum.
12. Replacement of 3 nos. 1000 KVA old transformer by 1 no. 2000 KVA transformer resulting in cost savings of ₹ 18.58 Lacs per annum.

Haldia Plant

1. Achieved and maintained Power factor of the plant at 0.99 by installation and commissioning of additional 1 x 1000 KVAR, 1 x 500 KVAR, 3 X 100 KVAR capacity Capacitor banks with automatic power factor controllers and harmonic filters. Annual saving in electricity bill (through rebate): ₹ 208 Lacs.
2. Achieved load factor of the plant at around 78% by controlling maximum demand of the plant through Demand controllers. Annual savings in electrical bill (through rebate): ₹ 207 Lacs.
3. Installation and commissioning of Thyristor controlled panel for lead pot heating system at Ball mill, Reaction pot, COS machine, Gravity Feed System instead of contactor logic system. Annual savings : ₹ 43.95 Lacs.
4. Installation of 25 W/90W LED lights in place of 70W/250W HPMV lights for street lighting inside factory premises. Annual savings : ₹ 1.6 Lacs.
5. Replacement of conventional 40 watt fluorescent lamps by 28 watt T5 energy saver lamps in all offices, canteen and shop floor. Annual savings : ₹ 2.38 Lacs.
6. Introduction of Energy management System for on-line monitoring of Power factor, loading of transformers, loading pattern of different feeders, energy consumption etc. which helps to take corrective actions as per requirement.
7. Installation of translucent sheet at different locations in the shop floor to improve day light and better working environment.
8. Installation of Light detecting sensor for automatic switching ON/OFF of shop floor lights. Annual savings : ₹ 1.93 Lacs.
9. Electrical interlocking of fresh air blower and exhaust blower with production machines to avoid idle running during non-productive hours. Annual savings : ₹ 2.30 Lacs.

Ahmednagar Plant

1. Maintained Power factor close to unity.
2. Planned for maximum utilisation of machines during night period to get the benefit of TOD in Electrical Energy bill.
3. Installed Energy Efficient Light Fittings in Shop Floor, Office and Street area. Transparent glass fitted on roof for better entry of sunlight.
4. Used Cyclic Timer for automatic switching of street lights.
5. Interlock between machines established to optimize power usage.
6. Cooling tower fan and circulating water pump have been interlocked with temperature so that only with rise in temperature the equipment would start operating.
7. Arrested air leakages in main air pipe line and machines to reduce running time of air compressor resulting in energy saving.
8. Auto timer switch provided in all blowers and scrubbers so that during recess hours it stops automatically.
9. Installed Level switch for Water and Acid level control to avoid continuous running of Water/Acid pump.
10. Sensors used in plate cutting and brushing machines for stoppage of motor in idling.

Roorkee Plant

1. Reduction of Power Factor from 0.75 to 0.995 by installing APFC Panel.
2. Proper distribution and reduction of wire length of three phase line to entire plant by implementing LT Panel and Cable tray.
3. Reduction of power line losses by replacing Aluminium cable with Copper cable from LT panel to all floors and machines.
4. Safer operation of electrical distribution by implementing VCB Panel, Cubical Metering Unit and new 250KVA Power Transformer.
5. Total reduction of 1056W Power at all six Assembly lines by implementing 28W T5 tube lights in place of 40W tube lights.
6. Elimination of DG operation due to low voltage by implementing Servo Stabilizer.
7. Proper load distribution of two DG sets for all three floors.
8. Automatic Packing machine and conveyor to stop operation in case any inverter is not on the line for over 60 seconds.
9. Reduced air leakage to almost zero by implementing aluminium pipe lining throughout the plant. Simultaneously power consumption has been reduced due to reduced operation of compressor.

10. Online UPS from Testing line at PCB floor and small Servo Stabilizer at Assembly line has been eliminated by installing Main 250KVA Servo Stabilizer.

Haridwar Plant

1. Introduction of LED lights in Shop Floor area to reduce Power Cost.
2. Introduction of Street Solar Light to reduce power.
3. Implementation of solar lighting in new building commenced.
4. Water tank capacity has been increased to reduce operating time of pump operation.

II. Particulars as per Form B

A1. Research and Development (R&D)

Specific areas in which R&D is carried out by the Company

The Research and Development activities of the Company can be broadly classified in the following areas :

i) Development of new products for OEMs as well as aftermarket based on market needs and their validation.

ii) Upgradation of manufacturing processes to meet newer product requirements.

iii) Value Addition/Value Engineering (VA/VE) on existing products through technology / design / process upgradation.

iv) Development of product specific tooling for manufacturing.

A2. Benefits derived as a result of the above R&D

Through R&D activities the Company has been able to maintain technology/ market leadership in several product ranges. During the year under review, new products developed in automotive segment includes new generation high power compact "Gen set Batteries", maintenance free factory charged "Extreme " range of flooded motorcycle batteries and "Expack" range of VRLA Motorcycle batteries . Various new technologies are also being evaluated through field trials. New range of products, have been specifically developed for the emerging 'Non-Conventional Energy' storage sector. The recently developed tubular-gel technology to meet the rigorous demands of standby power applications has been introduced and well received by the customers. Low cost three wheeler batteries are under field trial. The benefits of large number of initiatives taken in improving product and manufacturing quality has started to yield results in terms of reduced warranty in certain segments and the benefits would be more visible across the range of products in the near term as substantial reduction in warranties would accrue.

A3. Future Action Plan

In view of the emerging needs for advanced lead-acid batteries for varied applications, the focus on technology and innovation would continue. Ongoing projects include development of state-of-the-art batteries for various applications including Idling Stop Start and mild hybrid batteries. VA/VE projects are also being given priority. Upcoming projects include re-chargeability and deep cycling capability in the new range of batteries, enhancement of battery shelf life and introduction of new materials and advanced processes. In the Industrial battery segment the focus shall continue to be towards 'India-specific' technologies that would best address the typical demands that exist in various sectors including Telecom and Industrial/Home UPS applications. Concurrently, emphasis would be towards selection of more robust manufacturing technologies that not only give a more consistent and improved quality product but can also, as a spin-off, lead to more value engineered products.

A4. Expenditure on R&D

The capital and revenue expenditure on R&D were ₹ 0.20 crore and ₹ 10.90 crores respectively, aggregating to ₹ 11.10 crores.

Total R&D expenditure as percentage of Net Turnover : 0.18%

B1. Technology Absorption, Adaptation and Innovation

The Agreements with the Foreign Collaborators cover not only imports of new technology but also for continued technical assistance and sharing of Best Management Practices in all spheres of manufacturing operations. This is an ongoing process and apart from absorption of the technology efforts are directed towards further improvements and innovation for better product performance and consistency.

B2. Benefits

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

B3. Particulars of Imported Technology in the last 5 years

Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
Automotive and VRLA Lead Acid Storage Batteries for Industrial applications from Shin-Kobe Electric Machinery Co Ltd., Japan for Shamnagar, Haldia, Chinchwad and Hosur Plants.	Since 1994-95. Current arrangement is effective 1st April, 2010 and is valid upto 31st March, 2015.	Agreement is for Technical Assistance for continuous improvements in manu-facturing technology of different products and is in progress.	Since the technology is continuously evolving the Agreement will be ongoing.
Lead Acid Storage Batteries for Automotive applications from Furukawa Battery Co Ltd., Japan for Taloja Plant.	Since 1997-98. Current arrangement is effective 1st December, 2010 and is valid upto 30th November, 2015.	Agreement is for Technical Assistance for continuous improvements in manu-facturing technology of different products and is in progress.	Since the technology is continuously evolving the Agreement will be ongoing.
VRLA Lead Acid Storage Batteries for Motorcycles from Furukawa Battery Co Ltd., Japan for Taloja, Bawal and Ahmednagar Plants.	9th March, 2007. Currently Valid upto 8th March, 2013. Discussions for renewal under progress.	Being absorbed. The Agreement also provides support for future product improvements.	Since the technology is continuously evolving the Agreement will be renewed.
Deep Cycling E-bike batteries for Electric Bicycles and Scooters from Changxing Noble Power Sourcing Co. Ltd., China.	15th June, 2008, valid upto 14th June, 2010.	Absorbed.	Not Applicable.
Automotive batteries for Idling Stop System from Furukawa Battery Co Ltd., Japan for Taloja Plant.	1st February, 2010, valid upto 31st January, 2015.	Being absorbed. The Agreement also provides support for future product improvements.	Since the technology is continuously evolving the Agreement will be ongoing.
Lead acid batteries for Automotive, Industrial, Motor cycle and other applications from East Penn Manufacturing Co., USA	15th January, 2012 valid upto 14th January, 2017.	In Progress	Still under development.
Special Conventional Batteries for Automotive applications from Shin-Kobe Electric Machinery Co. Ltd., Japan.	3rd February, 2013 valid upto 2nd February, 2023.	In Progress	Still under development.

III. Foreign Exchange - Earnings and Outgoings

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

Initiatives for further development of export markets for industrial, automotive and motor cycle batteries continued during the year. Successful inroads were made for export of automotive batteries in Qatar, Myanmar and Turkmenistan. Batteries for the entire fleet of buses of SBS Bus Company, Singapore, continue to be supplied by your Company. Apart from this, your Company continued to be a major supplier to Comfort Taxi Company in Singapore.

Your Company won a major project of the Mozambique Government for supply of batteries for solar systems. Forays have also been made in the markets in Nigeria and Kenya for solar batteries. Due to de-growth / recessionary conditions in Europe, export of Traction batteries was adversely affected. However, your Company has recently supplied Traction batteries for the prestigious mining industry in South Africa. The thrust for opening up new markets, especially in the African countries, would continue in future both for batteries and other related products.

2. Total Foreign Exchange used and earned :

Used : ₹ 853.54 crores

Earned : ₹ 161.49 crores

On behalf of the
Board of Directors

Place : Mumbai
Date : 29th April, 2013

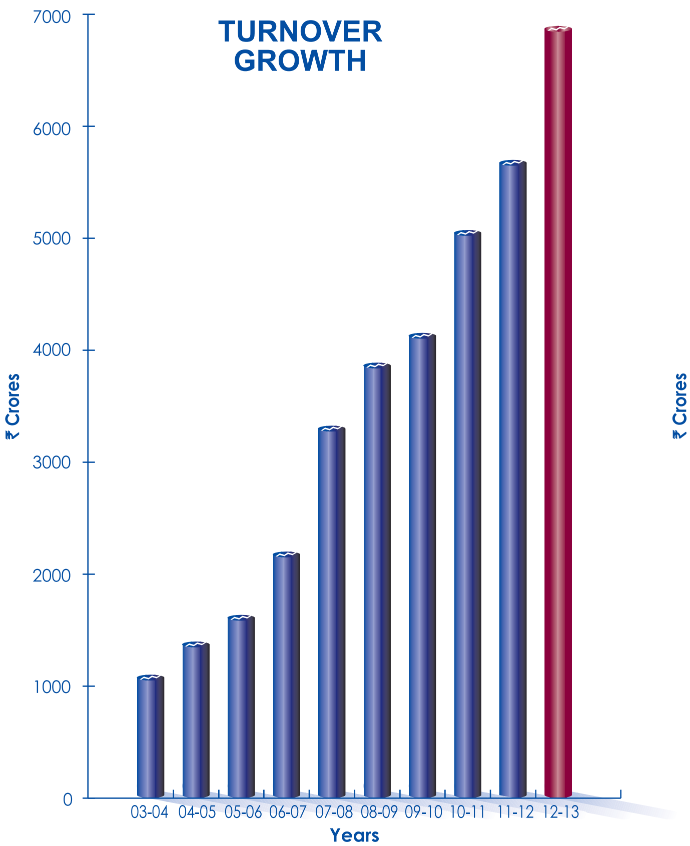
R G Kapadia
Chairman

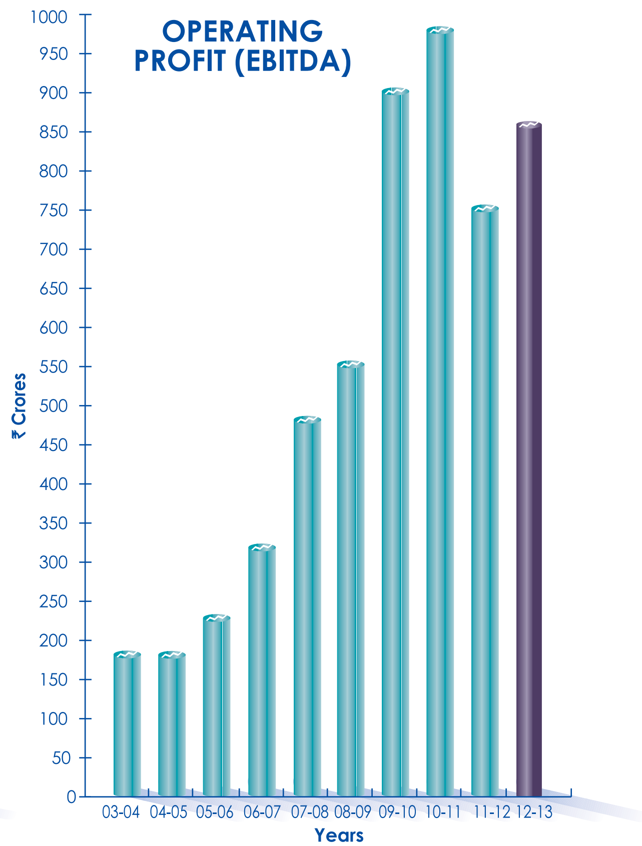
A DECADE IN RETROSPECT

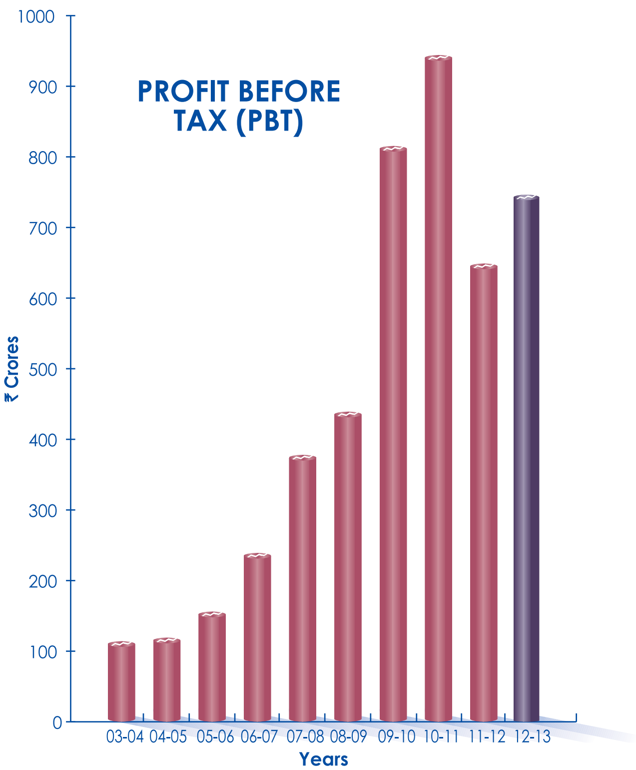
■ Top-Line grown by	21%
■ Operating Profit (EBITDA) grown by	18%
■ PBT grown by	25%
■ Net Profit grown by	26%
■ Market Capitalisation Grown By	45%

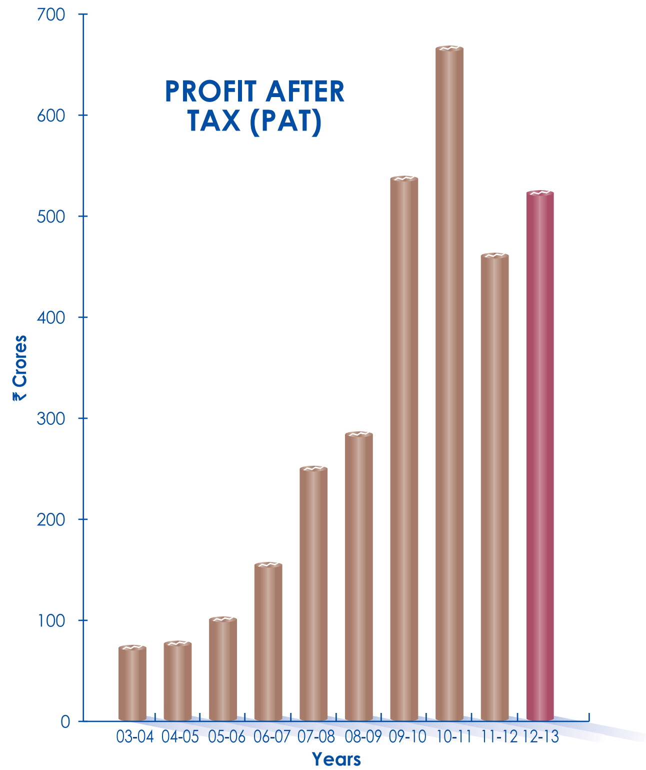
Growth Figures Indicate CAGR

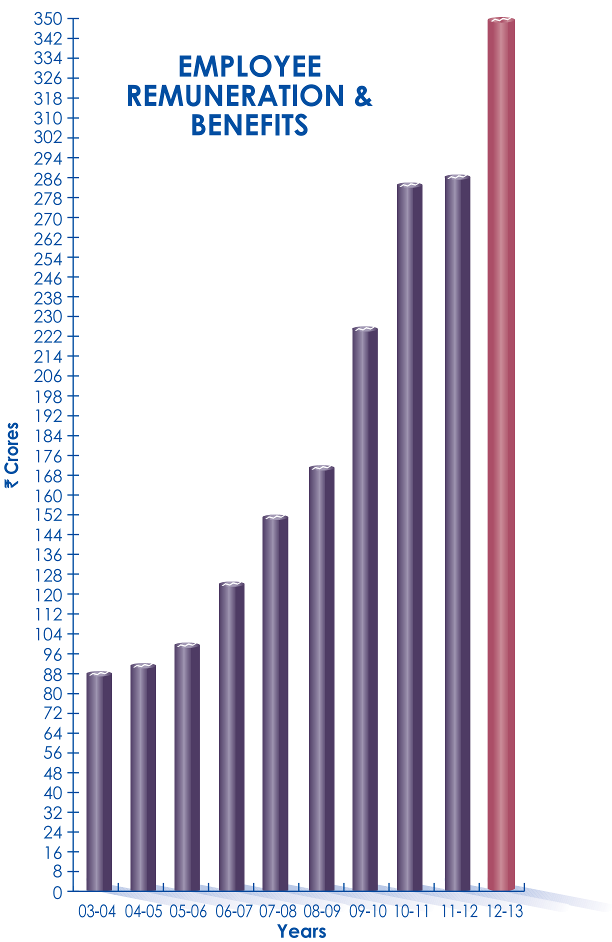
FINANCIAL TRENDS

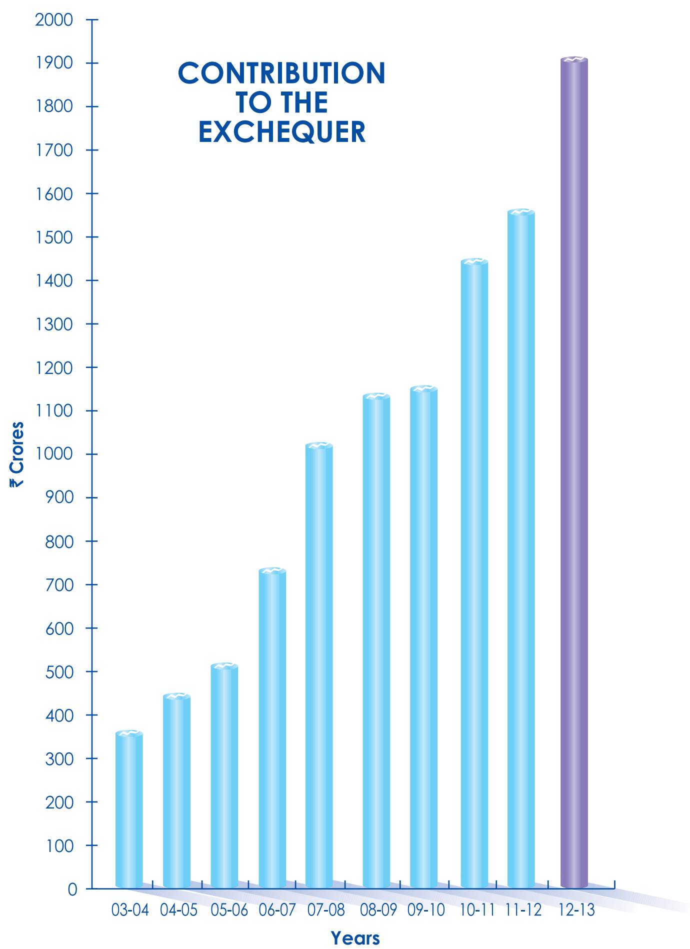


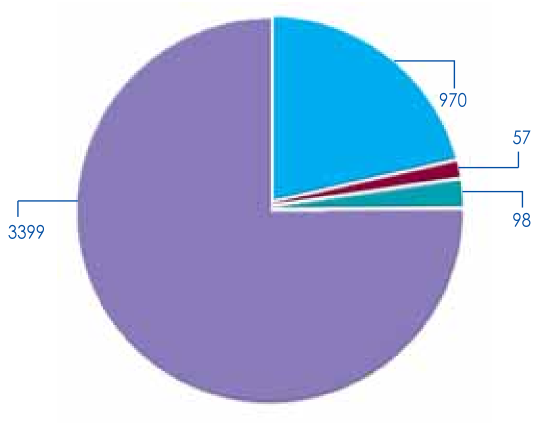



PROFIT BEFORE TAX (PBT)
₹ Crores
1000
900
800
700
600
500
400
300
200
100
0
03-04 04-05 05-06 06-07 07-08 08-09 09-10 10-11 11-12 12-13
Years


PROFIT AFTER TAX (PAT)
₹ Crores
700
600
500
400
300
200
100
0
03-04 04-05 05-06 06-07 07-08 08-09 09-10 10-11 11-12 12-13
Years

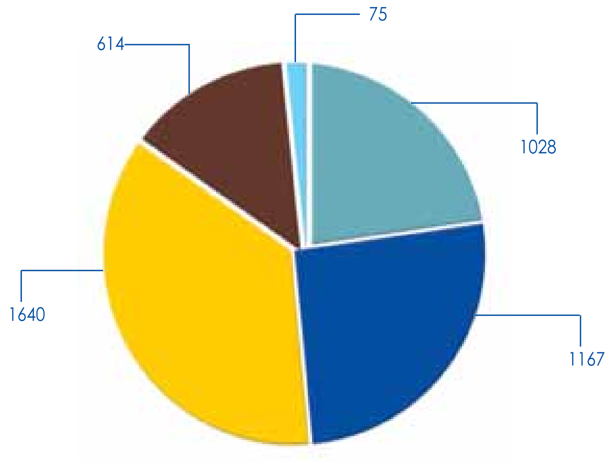

EMPLOYEE REMUNERATION & BENEFITS
₹ Crores
03-04 04-05 05-06 06-07 07-08 08-09 09-10 10-11 11-12 12-13
Years


CONTRIBUTION TO THE EXCHEQUER
₹ Crores
2000
1900
1800
1700
1600
1500
1400
1300
1200
1100
1000
900
800
700
600
500
400
300
200
100
0
03-04 04-05 05-06 06-07 07-08 08-09 09-10 10-11 11-12 12-13
Years



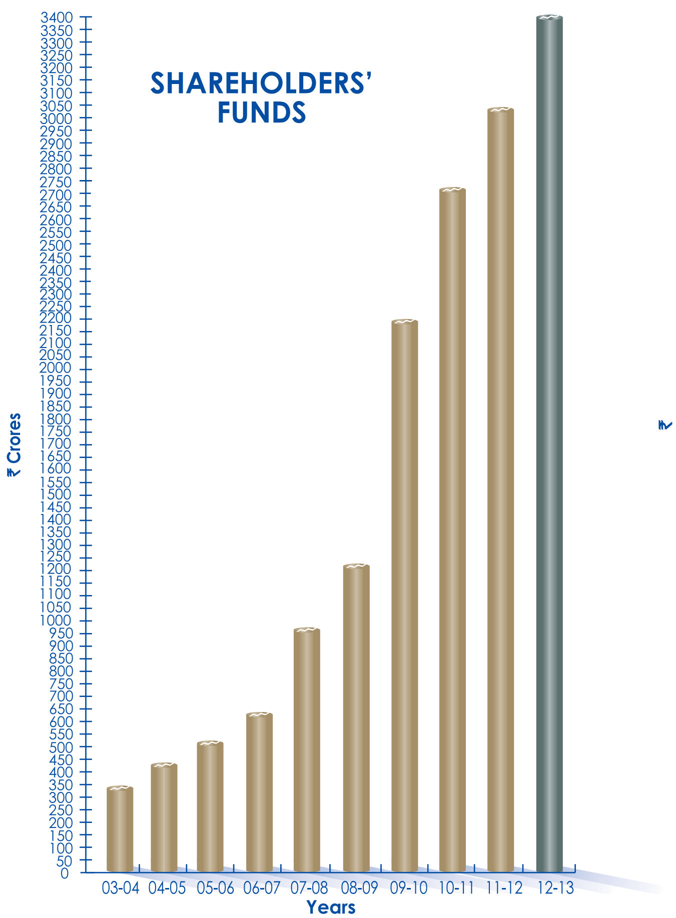
SOURCES OF FUNDS

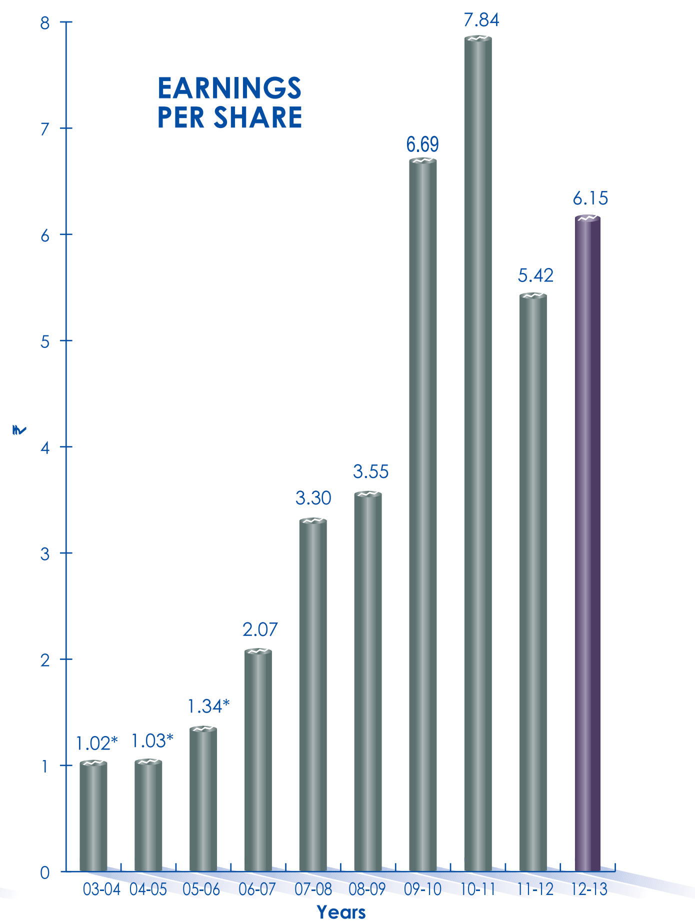
	(₹ Crores)
Payable for Goods supplied & services rendered	970
Proposed Dividend (including Tax on Dividend)	57
Deferred Tax Liability	98
Shareholders' Funds	3399
	4524



APPLICATION OF FUNDS

	(₹ Crores)
Fixed Assets	1028
Inventories	1167
Investments	1640
Customers and Others	614
Cash & Bank Balances	75
	4524





* Equated to Face Value ₹ 1 per share

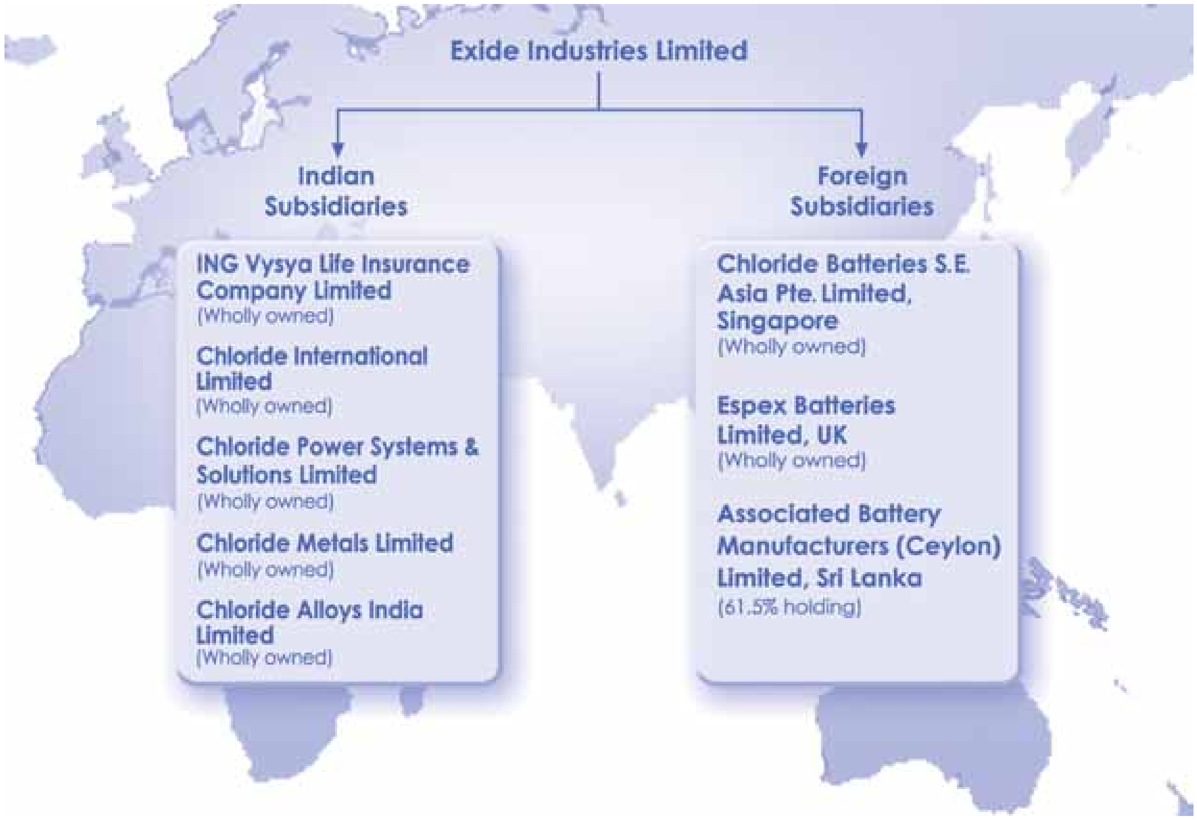
TEN YEARS AT A GLANCE

(₹ Crores)

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
Sales (Gross)	6862	5672	5040	4122	3857	3294	2170	1606	1368	1072
Operating Profit	860	751	983	902	551	476	317	229	182	182
Gross Profit	856	746	977	892	503	439	289	207	168	165
Taxation	220	184	274	274	151	124	80	51	37	37
Net Profit	523	461	666	537	284	250	155	101	77	73
Cash Profit	636	562	750	618	352	315	209	156	131	127
Annualised Earning per Share (₹)	6.15	5.42	7.84	6.69	3.55	3.30	+2.07	13.43	10.30	10.23
Dividend	156	145	140	95	56	37	31	26	21	32
Balance Sheet										
Net Fixed Assets*	1028	967	874	685	653	565	455	408	428	416
Investments	1640	1555	1378	1335	668	518	378	279	112	20
Current Assets	1856	1547	1329	912	742	877	572	440	458	366
Total Assets	4524	4069	3581	2932	2063	1960	1405	1127	998	802
Loans	–	–	2	90	317	350	325	290	290	199
Current Liabilities	1027	954	796	593	487	572	407	282	220	210
Sub Total	1027	954	798	683	804	922	732	572	510	409
Deferred Tax Liability	98	83	68	59	41	48	45	51	59	58
Net Worth*	3399	3032	2715	2190	1218	990	628	504	429	335
Total Liabilities	4524	4069	3581	2932	2063	1960	1405	1127	998	802
Book Value Per Share (₹)**	39.99	35.67	31.94	25.76	15.22	12.37	8.37	6.72	5.72	4.70
Return on Networth (%)	17.2	17.0	30.4	44.1	28.7	39.9	30.8	23.5	23.1	24.6

* Net of Revaluation Reserve
** At same par value of share
\+ Post Sub-division of shares

SUBSIDIARIES



EQUITY HISTORY

YEAR	EQUITY SHARES		PARTICULARS	CUMULATIVE SHARE CAPITAL (₹ in Crores)
	NUMBER	FACE VALUE PER SHARE		
1960	11,80,000	₹ 10	Public Issue	1.18
1965	2,36,000	₹ 10	Bonus Issue	1.42
1967	3,54,000	₹ 10	Bonus Issue	1.77
1968	3,54,000	₹ 10	Bonus Issue	2.12
1974	18,88,000	₹ 10	Bonus Issue	4.01
1977	15,04,500	₹ 10	Bonus Issue	5.52
1978	9,38,100	₹ 10	Rights Issue	6.46
1980	16,13,650	₹ 10	Bonus Issue	8.07
1983	48,40,950	₹ 10	Bonus Issue	12.91
1987	77,45,520	₹ 10	Bonus Issue	20.66
1996	41,30,944	₹ 10	Rights Issue	24.79
1997	40,48,152	₹ 10	Conversion of Equity Warrants	28.83
1998	71,67,454	₹ 10	Rights Issue	36.00
2001-02	3,23,209	₹ 10	Buy Back	35.68
2002-03	67,723	₹ 10	Buy Back	35.61
2003-04	3,56,10,338	₹ 10	Bonus Issue	71.22
2004-05	37,79,324	₹ 10	Preferential Issue	75.00
2006-07	75,00,00,000	₹ 1	Sub-division	75.00
2007-08	5,00,00,000	₹ 1	Rights Issue	80.00
2009-10	5,00,00,000	₹ 1	Qualified Institutions Placement Issue	85.00

Dividend :
The Board has recommended a final dividend of ₹ 0.60 per share (60%) subject to approval of the shareholders at the ensuing Annual General Meeting. Together with interim dividend of ₹ 1.00 per share (100%) paid on November 8, 2012 the total dividend for the year works out to ₹ 1.60 per share (160%) [previous year 150%].

REPORT ON CORPORATE GOVERNANCE

Governance Philosophy

The Company's approach and commitment to ethical Corporate Governance remains unchanged in its 66-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 the 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. The Company believes that while substantial societal resources are being utilised by large corporates to generate wealth and add value, it is the principles of Corporate Governance that should keep them in the right track so that the process of wealth creation is sustainable over an extended period of time.

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

Exide believes that through proper checks and balances in the system the Company's executive decision making becomes more process driven than individual driven and there are minimal chances of abuse of authority.

In its quest to inculcate an ethical corporate culture within the organization, Exide's governance philosophy depends heavily on a few tenets. These are trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. The 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 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 each individual employee within the organisation free to determine his or her destiny in tune with that of the organisation. Empowerment denotes delegation and decentralisation so that the decision making process is fast and transparent to everyone.

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

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

The Governance Structure

The following three interlinked levels within Exide practice Corporate Governance:

i. Strategic supervision – by the Board of Directors

ii. Strategic management – by the Executive Committee

iii. Executive management – by the Divisional Heads of businesses

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

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

BOARD OF DIRECTORS

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

Composition

The Board of Directors of the Company consists of five Executive Directors and seven Non-Executive Directors including a Non-Executive Chairman. There is also one Alternate Director who is a Non-Executive Director. The Non-Executive Directors are eminent professionals with experience in business, finance, law and corporate management.

The composition of the Board of Directors as on 29th April, 2013 is as follows :

Name of Director	Category of Directors	No. of other Directorships held (*)	Committee Memberships held in other companies (**)	
			As Member	As Chairman
Mr R G Kapadia	Independent Non-Executive Chairman	7	3	4
Mr R B Raheja	Non-Executive Vice Chairman	7	4	Nil
Mr T V Ramanathan	Executive Director	3	Nil	1
Mr G Chatterjee	Executive Director	4	1	Nil
Mr P K Kataky	Executive Director	3	1	Nil
Mr A K Mukherjee	Executive Director	3	1	Nil
Mr Nadeem Kazim	Executive Director	3	1	Nil
Mr Vijay Aggarwal	Independent Non-Executive Director	4	1	1
Mr S B Raheja	Non-Executive Director	3	1	Nil
Mr D S Parekh (Alternate to Mr S B Raheja)	Independent Non-Executive Director	9	3	2
Mr W Wong	Non-Executive Director	Nil	Nil	Nil
Ms Mona N Desai	Independent Non-Executive Director	Nil	Nil	Nil
Mr S Chand***	Independent Non-Executive Director	1	2	Nil

* Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Companies u/s 25 of the Companies Act, 1956 and memberships of Managing Committees of various Chambers/bodies and Alternate Directorships.

** Committees include only Audit Committee and Shareholders' Grievance Committee.

*** Mr Bhaskar Mitter has resigned from the Board with effect from 1st August, 2012. Mr S Chand was appointed as an Additional Director on 19th October, 2012.

Note : Mr R B Raheja & Mr S B Raheja are related inter-se.

Appointment/Re-appointment of Directors

At the Meeting of the Board of Directors held on 19th October, 2012 Mr S Chand has been appointed as an Additional Director. A Notice has been received from a Member under Section 257 of the Companies Act, 1956 proposing the appointment of Mr Chand as a Director at the ensuing Annual General Meeting. At the Meeting of the Board of Directors held on 29th April, 2013, Mr Subir Chakraborty was also appointed as additional and whole time Director to be designated as Director-Industrial, with effect from 1st May, 2013. Mr Subir Chakraborty will hold office upto the ensuing Annual General Meeting of the Company. A Notice has been received from a Member under Section 257 of the Companies Act, 1956 proposing the appointment of Mr Subir Chakraborty as a Director at the ensuing Annual General Meeting.

Mr T V Ramanathan, Managing Director and Chief Executive Officer will be retiring from the services of the Company with effect from the close of business on 30th April, 2013.

The Board of Directors at its meeting held on 29th April, 2013 appointed Mr P K Kataky as the Managing Director and Chief Executive Officer with effect from 1st May, 2013. Mr Kataky has been heading the automotive business of the Company as Director-Automotive since March 2005. At the said Meeting, your Board of Directors also appointed Mr Gautam Chatterjee, presently Director-Industrial, as Joint Managing Director with effect from 1st May, 2013. Mr Chatterjee, will be heading the automotive and submarine batteries business of your Company.

The following Directors retire by rotation in accordance with the provisions of the Companies Act, 1956 and, being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting:

1. Mr S B Raheja
2. Ms Mona N Desai

A brief Resume of the Directors proposed to be appointed/reappointed, along with the particulars of Directorships held by them, has been appended to the Notice for the Annual General Meeting which is being circulated to the members alongwith this Report.

Mr Sudhir Chand holds 18872 equity shares and Ms Mona N Desai holds 78666 equity shares in the Company. Mr S B Raheja does not hold any equity shares in the Company.

Meetings and Attendance

During the financial year ended 31st March, 2013, five Board Meetings were held on 30th April, 2012, 16th July, 2012, 19th October, 2012, 17th January, 2013 and 23rd January, 2013 respectively. The previous Annual General Meeting was held on 17th July, 2012.

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

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr R G Kapadia	4	Yes
Mr R B Raheja	2	–
Mr T V Ramanathan	5	Yes
Mr G Chatterjee	4	Yes
Mr P K Kataky	5	Yes
Mr A K Mukherjee	5	Yes
Mr Nadeem Kazim	4	Yes
Mr Bhaskar Mitter*	1	Yes
Mr S B Raheja	Nil	–
Mr Vijay Aggarwal	2	Yes
Mr D S Parekh (Alternate to Mr S B Raheja)	1	–
Mr W Wong	Nil	–
Ms Mona N Desai	3	–
Mr S Chand**	3	–

* Mr Bhaskar Mitter has resigned from the Board with effect from 1st August, 2012.

** Mr S Chand was appointed as an Additional Director on 19th October, 2012.

Code of Conduct for Directors and Senior Management

The Board had approved of the Code of Conduct as applicable to the Directors and the members of the Senior Management on 21st October, 2005. All Directors and members of the Senior Management have adhered to the Code of Conduct of the Company during the year and have signed declarations of compliance with the same. The Annual Report of the Company contains a declaration to this effect from the Managing Director & CEO. The Code of Conduct has also been posted on the website of the Company.

COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

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

The terms of reference of the Audit Committee are in conformity with the revised requirements of Clause 49 of the Listing Agreement read in conjunction with Section 292A of the Companies Act, 1956.

Composition

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

Attendance

During the financial year ended 31st March, 2013, four meetings of the Audit Committee were held on 30th April, 2012, 16th July, 2012, 19th October, 2012 and 17th January, 2013 respectively.

Name of Director	Number of meetings attended
Mr R G Kapadia	4
Mr Bhaskar Mitter*	1
Mr Vijay Aggarwal	3
Ms Mona N Desai	3
Mr S Chand **	1

* Mr Bhaskar Mitter has resigned from the Board with effect from 1st August, 2012.

** Mr S Chand was appointed as an Additional Director on 19th October, 2012.

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

B. REMUNERATION COMMITTEE

The Remuneration Committee of Directors recommends to the Board the compensation terms of Executive Directors and Executive Committee members. Mr S Chand, Chairman of the Committee is an Independent Non-Executive Director. The names of the other members of the Committee are Mr R G Kapadia, Mr T V Ramanathan, Mr Vijay Aggarwal and Ms Mona N Desai.

Attendance

During the financial year ended 31st March, 2013, one meeting of the Remuneration Committee was held on 30th April, 2012.

Name of Director	Number of meetings attended
Mr Bhaskar Mitter *	1
Mr S Chand **	–
Mr R G Kapadia	1
Mr T V Ramanathan	1
Mr Vijay Aggarwal	1
Ms Mona N Desai	1

* Mr Bhaskar Mitter has resigned from the Board with effect from 1st August, 2012.

** Mr S Chand was appointed as an Additional Director on 19th October, 2012.

Remuneration of Non-Executive Directors

The Non-Executive Directors do not receive any remuneration from the Company, apart from the sitting fees.

Remuneration of Executive Directors

All the Executive Directors of the Company have been appointed on contractual basis. The details of remuneration paid to Executive Directors for the year ended 31st March, 2013 are given herein below :

(In ₹)

Name of Director	Salary & Performance Bonus	Contribution to retiral funds	Perquisites & other benefits	Commission	Total
Mr. T V Ramanathan	1,38,37,500	34,12,534	10,83,323	41,70,000	2,25,03,357
Mr P K Kataky	1,14,47,500	25,64,303	17,00,295	17,25,000	1,74,37,098
Mr G Chatterjee	1,21,67,500	30,81,803	10,10,007	51,75,000	2,14,34,310
Mr A K Mukherjee	66,27,500	16,21,337	10,37,814	27,22,500	1,20,09,151
Mr Nadeem Kazim	44,58,500	10,90,717	11,78,748	18,31,500	85,59,465

Shareholding of Non Executive Directors

Name of Director	No. of shares held as on 31st March, 2013
Mr D S Parekh	22,805
Ms Mona N Desai	78,666
Mr S Chand	18,872

C. SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE

The Shareholders' Grievance Redressal Committee comprises of three Directors. Mr S Chand, a Non-Executive Independent Director is the Chairman of the Shareholders' Grievance Redressal Committee. Mr T V Ramanathan and Mr G Chatterjee are also members of the Shareholders' Grievance Redressal Committee. The Committee looks into redressal of investor complaints relating to transfer of shares, non-receipt of dividend, non-receipt of annual reports etc. Mr S Coomer, Company Secretary and Executive Vice President-Legal & Administration acts as the Secretary to the Committee and assigned with the responsibility of overseeing investor grievance.

Attendance

During the financial year 2012-2013, a meeting of the Shareholders' Grievance Redressal Committee was held on 28th March, 2013.

Name of Director	Number of meetings attended
Mr S Chand	1
Mr T V Ramanathan	1
Mr G Chatterjee	1

Details of complaints at the beginning of the year, received and resolved during the year and pending share transfers as on 31st March, 2013 :

Number of complaints at the beginning of the year	Nil
Number of complaints received	40
Number of complaints redressed	40
Number of complaints not resolved	Nil
Number of pending share transfers	3

D. SHARE TRANSFER COMMITTEE

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

Attendance

During the financial year ended 31st March, 2013, nineteen meetings of the Share Transfer Committee were held on 5th April,2012, 5th May, 2012, 2nd June, 2012, 11th July, 2012, 10th August, 2012, 8th September, 2012, 5th October, 2012, 19th October, 2012, 1st November, 2012, 15th November, 2012, 29th November, 2012, 13th December, 2012, 28th December, 2012, 9th January, 2013, 22nd January, 2013, 5th February, 2013, 18th February, 2013, 5th March, 2013 and 20th March, 2013 respectively:

Name of Director	Number of meetings attended
Mr T V Ramanathan	18
Mr G Chatterjee	18
Mr P K Kataky	5
Mr A K Mukherjee	18

E. BANKING OPERATIONS COMMITTEE

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

Attendance

During the financial year ended 31st March, 2013, four meetings of the Committee were held on 26th June, 2012, 20th November, 2012, 13th February, 2013 and 15th March, 2013 respectively.

Name of Director	Number of meetings attended
Mr T V Ramanathan	4
Mr G Chatterjee	4
Mr P K Kataky	1
Mr A K Mukherjee	4

F. EXECUTIVE COMMITTEE

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

During the financial year ended 31st March, 2013, twelve meetings of the Executive Committee were held on 7th May, 2012, 7th June, 2012, 7th July, 2012, 21st August, 2012, 10th September, 2012, 10th October, 2012, 16th November, 2012, 13th December, 2012, 10th January, 2013, 13th February, 2013, 26th February, 2013 and 13th March, 2013 respectively.

The names of members of the Executive Committee as on 31st March, 2013 and the number of meetings attended by them during 2012-2013 are as follows :

Name	Number of meetings attended
Mr T V Ramanathan	12
Mr G Chatterjee	10
Mr P K Kataky	12
Mr A K Mukherjee	11
Mr S Coomer	11
Mr Nadeem Kazim	12

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings :

AGM	Year Ended	Venue	Date	Time
63rd	31.03.2010	Kala Mandir 48 Shakespeare Sarani Kolkata- 700 017	14.07.2010	10:30 AM
64th	31.03.2011	Do	21.07.2011	09:30 AM
65th	31.03.2012	Do	17.07.2012	10.30 AM

SPECIAL RESOLUTIONS

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

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act, 1956
14th July, 2010	None	Not Applicable
21st July, 2011	None	Not Applicable
17th July, 2012	None	Not Applicable

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. **Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large**

Details of transactions of a material nature with any of the related parties as specified in Accounting Standard 18 issued by the Institute of Chartered Accountants of India have been reported in the Notes to the Accounts. There is no transaction of a material nature with any of the related parties which is in conflict with the interests of the Company.

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

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

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

MEANS OF COMMUNICATION

A. Quarterly results and Audited Financial Results are generally published in following Newspapers:
The Economic Times
The Telegraph
Ananda Bazar Patrika
The Hindu Business Line
The Times of India

B. The Company's website at www.exideindustries.com is regularly updated with the 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 66th Annual General Meeting is proposed to be held on Tuesday, 16th July, 2013 at 10.30 a.m. at 'Kala Mandir' 48, Shakespeare Sarani, Kolkata - 700017.
2. Financial Year: 1st April to 31st March.
3. The Company has furnished information, as required by Clause 49(IV)(G) of the Listing Agreement of the Stock Exchanges, relating to re-appointment of retiring directors. Shareholders may kindly refer to the Notice convening the 66th Annual General Meeting of the Company. The name of other companies in which the retiring directors holds directorship and the membership of Committees of the Board in other Companies are also given in the annexure to the Notice convening the 66th Annual General Meeting.

1. Tentative Financial Calendar for 2013-14

First Quarterly Results	July, 2013
Second Quarterly/Half Yearly Results	October, 2013
Third Quarterly Results	January, 2014
Annual Results for the year ending on 31st March, 2014	April, 2014
Annual General Meeting for the year ending on 31st March, 2014	July, 2014

2. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 2nd July, 2013 to 16th July, 2013 (both days inclusive)

3. Dividend Payment Date

During the financial year 2012-2013, the Company paid an interim dividend @ ₹ 1.00 per equity share, to its shareholders.

The Final Dividend @ ₹ 0.60 per equity share as recommended by the Board at its meeting held on 29th April, 2013 for the year ended 31st March, 2013, if approved by the shareholders at the ensuing Annual General Meeting to be held on Tuesday, 16th July, 2013, will be paid within 30 days from the date of the Annual General Meeting.

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

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

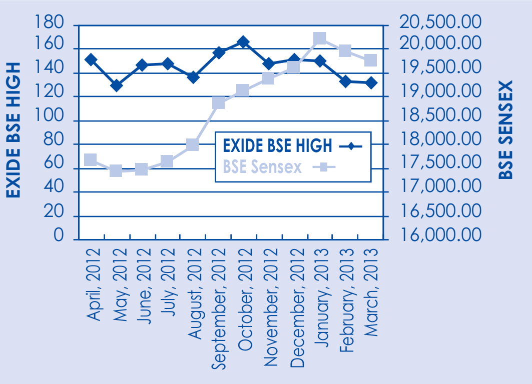
Name of the Stock Exchange	Stock Code	Symbol
The Calcutta Stock Exchange Limited	15060 & 10015060	–
Bombay Stock Exchange Limited	500086	–
National Stock Exchange of India Limited	–	EXIDEIND

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

Month	BSE(#)		NSE(#)		CSE*	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2012	151.30	121.25	151.60	121.25	*	*
May 2012	130.00	112.90	129.95	112.15	*	*
June 2012	147.10	114.00	139.50	113.95	*	*
July 2012	148.00	123.75	140.80	123.60	*	*
August 2012	136.40	126.25	136.50	126.00	*	*
September 2012	156.50	132.15	156.90	131.65	*	*
October 2012	166.30	137.60	166.40	137.10	*	*
November 2012	147.50	135.45	145.50	135.50	*	*
December 2012	150.90	136.10	150.90	136.00	*	*
January 2013	149.90	119.70	149.90	119.65	*	*
February 2013	133.35	120.15	133.55	120.00	*	*
March 2013	131.90	122.95	132.00	123.20	*	*

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

6. Share Price Index



7. Share Transfer Agent

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

8. Share Transfer System

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

9. Nomination Facility

Pursuant to Section 109A of the Companies Act, 1956 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 from the Registrar and Share Transfer Agent of the Company. However, if the shares are held in dematerialized form, the nomination has to be intimated to your depository participants directly, as per the format prescribed by them.

10.Share Transfer Record

Month	No. of transfers	No. of shares processed
April 2012	4	6920
May 2012	5	18301
June 2012	4	186
July 2012	9	33410
August 2012	12	15340
September 2012	10	11626
October 2012	6	18760
November 2012	10	10102
December 2012	3	5857
January 2013	2	1401
February 2013	3	3230
March 2013	16	37831

11. Distribution of Shareholding as on 31.03.2013

Range		No. of shares of face value of ₹ 1/- each	% of Total shares	Total no. of holders	% of Total holders
1	5000	33493132	3.95	77116	94.95
5001	10000	15718211	1.85	2219	2.73
10001	20000	13955058	1.64	1010	1.24
20001	30000	7336722	0.86	301	0.37
30001	40000	5121186	0.60	147	0.18
40001	50000	3743819	0.44	83	0.10
50001	100000	9445120	1.11	137	0.17
100001	& above	761186752	89.55	209	0.26
	TOTAL	**850000000**	**100.00**	**81222**	**100.00**

12. Shareholding Pattern of the Company as on 31.03.2013

Category	No.of shares	% of total issued shares
Promoter Holding	390954666	45.99
Foreign Institutional Investors	150219872	17.67
Non Resident Individual	3629846	0.42
Mutual Funds	22518638	2.65
Financial Institutions, Insurance Companies & Banks	93304711	10.98
Public	86967240	10.25
Bodies Corporate	101771249	11.97
Directors & their relatives	633778	0.07
Total	**850000000**	**100.00**

13. Dematerialization of Shares

As on 31 March, 2013, 97.71% of the Company's total shares representing 83,05,01,866 shares are held in dematerialized form and 2.29% representing 1,94,98,134 shares are in physical form.

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

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

15. Cost Audit

Name of the Cost Auditor :	Mani & Co., Cost Accountants "Ashoka", 111 Southern Avenue, Kolkata - 700 029 Regn No. : 00004
Due date of filing : of Cost Audit Report for 2011-2012	28.02.2013
Actual date of filing : the Cost Audit Report for 2011-2012	30.01.2013

16. Plant Locations

State	Address
West Bengal	91 New Chord Road, Athpur, Shamnagar, 24 Parganas (N) - 743 128
West Bengal	Durgachak, Haldia, Dist. Midnapore (E), West Bengal - 721 602
Haryana	Plot No. 179, Sector 3, HSIIDC Growth Centre, Bawal - 123 501
Maharashtra	D2, MIDC Industrial Estate, Chinchwad East, Pune - 411 019
Maharashtra	Plot No. T-17 MIDC Taloja Industrial Area, Taloja - 410 208
Maharashtra	E-5, MIDC, Nagapur Taluka, Ahmednagar - 414 111
Tamil Nadu	Chichurakanapalli, Sevaganapalli Panchayat, Hosur Taluk, Dist. Krishnagiri - 635 103
Uttarakhand	Khasra No. -275, Lakeshwari Industrial Area, Bhagwanpur, Roorkee, Dist. Haridwar - 247661
Uttarakhand	Plot No. 31, Sector 8A, Integrated Industrial Estate, Ranipur, Haridwar - 249 403

17. Address for Correspondence

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

Shareholders' correspondence should be addressed to ;

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

Contact Person:
Mr Supriya Coomer,
Company Secretary and Compliance Officer,
Tel Nos.: [033] 2283 2120/2150/2238/2239
Fax No.: [033] 2283 2637
Email : supriyac@exide.co.in

(b) C B Management Services (P)Ltd,
P-22, Bondel Road, Kolkata- 700 019
Contact Person:
Mr Shankar Ghosh,
Sr Vice President
Tel No. : [033] 4011 6700/4011 6711/ 40116725/40116729
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 non-mandatory requirements laid down in revised Clause 49 of the Listing Agreement and forming part of the Report on Corporate Governance

Particulars	Status
The Board	
A) Non-Executive Chairman may maintain a Chairman's office at the expense of the Company.	Not Adopted
B) Independent Directors may have a tenure not exceeding in the aggregate, a period of nine years, on the Board of the Company.	Not Adopted
Remuneration Committee	
i) The above Committee has been constituted as per the provisions contained in Schedule XIII of the Companies Act, 1956.	Adopted
ii) The Chairman of the Committee is an Independent Director.	Adopted
iii) The Chairman of the Committee was present at the last Annual General Meeting of the Members.	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.	Adopted. However, not sent during 2012-2013 as part of austerity measure.
Audit Certifications	
Company may move towards a regime of unqualified financial statements.	Adopted even before Clause 49 became effective.
Training of Board Members	
Board Members may be trained in the business model of the Company as well as on the risk profile of the business parameters of the company, their responsibilities as Directors and the best ways of discharging them.	All members of the Board are experts in their respective fields and well aware of the business model of the Company as well as its risk profile.
Evaluation of Non-Executive Board Members	
Mechanism for evaluating performance of non-executive directors by peer group consisting of entire board excluding the director being evaluated.	Not Adopted
Whistle Blower Policy	
The Company may establish a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.	Not Adopted

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

AUDITORS' CERTIFICATE

To
The Members of Exide Industries Limited

We have examined the compliance of conditions of corporate governance by Exide Industries Limited, for the year ended on 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number : 324982E
per Kamal Agarwal
Partner
Membership Number : 58652

Place of Signature : Mumbai
Date : 29th April, 2013

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, T V Ramanathan, Managing Director & CEO and A K Mukherjee, Director-Finance & CFO of Exide Industries Limited certify to the Board in terms of the requirement of Clause 49 V of the Listing Agreement with the Stock Exchanges, that we have reviewed the financial statement and cash flow statement of the Company for the financial year ended 31st March, 2013.

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

Place: Mumbai	**T V Ramanathan**	**A K Mukherjee**
Date: 29.04.2013	Managing Director & CEO	Director-Finance & CFO

Annual Declaration Under Clause 49(I)(D) of the Listing Agreement with Stock Exchanges

DECLARATION

As required under Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have complied with Code of Conduct of the company for the year ended 31st March, 2013.

Place: Mumbai	**T V Ramanathan**
Date: 29.04.2013	Managing Director & CEO

BUSINESS RESPONSIBILITY REPORT

Section A : General Information About The Company

1. *Corporate Identity Number (CIN) of the Company* : L31402WB1947PLC014919
2. *Name of the Company* : Exide Industries Limited
3. *Registered address* : Exide House, 59E Chowringhee Road Kolkata 700020, West Bengal, India
4. *Website* : www.exideindustries.com
5. *Email ID* : exidecorp@exide.co.in
6. *Financial Year Reported* : 2012-13
7. *Sectors that the Company is engaged in (industrial activity code-wise):*

Industrial Activity Code [as per ITC Classification(HS)]	Product Category
8507.10.00	Lead-Acid accumulators of a kind used for starting piston engines.
8507.20.00	Other lead acid accumulators
8504.40.90	Uninterrupted Power Supply Systems

8. *List three key products/services that the Company manufactures/provides (as in balance sheet):*
   a. Lead acid storage batteries used for starting Piston Engines
   b. Other Lead-Acid Accumulators
   c. Home UPS Systems
9. *Total number of locations where business activity is undertaken by the Company*
   (i) Number of international locations : Sri Lanka, Singapore and the UK
   (ii) Number of national locations: Nine factories, over 200 offices across India
10. *Markets served by the Company* - The Company has a pan India market presence through its extensive dealer network. Internationally it serves markets in several countries in Asia, Africa, Europe and North America.

Section B : Financial Details of the Company

1. *Paid up Capital* : ₹ 85 crores
2. *Total Net Turnover* : ₹ 6071.37 crores
3. *Total profit after taxes* : ₹ 522.78 crores
4. *Total spending on Corporate Social Responsibilities (CSR) as percentage of profit after tax* : 0.24%
5. *List of activities in which expenditure in 4 above has been incurred :*

   Child health improvement schemes undertaken through UNICEF, Child health improvement project in the slums of Kolkata undertaken through CINI-Asha and other miscellaneous community oriented activities in and around the factory locations e.g. school building infrastructure and providing computers and books for students, creating safe drinking water facilities, assistance for maintenance of roads, providing support to self-help groups for women, etc.

Section C : Other Details

1. **Does the Company have any subsidiary Company/Companies**

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

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

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

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

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

Section D : BR Information

1. **Details of Director/Directors responsible for BR**

   a. **Details of the Director/Directors responsible for implementation of the BR policy/policies**
      - DIN Number : 00012249
      - Name : Mr T.V. Ramanathan
      - Designation : Managing Director & Chief Executive Officer

   b. **Details of the BR head**
      - DIN Number
      - Name
      - Telephone Number
      - Email id

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

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

Sl No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have 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	N	N	Y
3	Does the policy conform to any national/international standards? If yes, specify?	N	N	N	N	N	Y (National Voluntary Guidelines)	N	N	N
4	Has the policy being approved by the board? If yes, has it been signed by the MD/Owner/CEO/appropriate board director?	N	N	N	N	N	N	N	N	N
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	N	Y	Y
6	Indicate the link for the policy to be viewed online?	(i)	(i)	(ii)	(iii)	(i)	(ii)	N	(iii)	(i)
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all key internal stakeholders of the Company.								
8	Does the Company have in-house structure to implement the policy/ policies?	The Company has an internal management structure that oversees Policies and its implementation.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has various grievance redressal mechanisms for different stakeholders like shareholders, customers, regulatory authorities, etc.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

* The essence of this principle is embedded in the Company's Vision, Mission and Core Values Statement
i) www.exideindustries.com/our_vision.html ii) www.exideindustries.com/our_policies.html
iii) www.exideindustries.com/corporate_social.html

2a. If answer to S.No.1 against any principle, is 'No', please explain why: (tick up to 2 options)

S.No.	Question	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 esources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year?							✓		
6	Any other reason (please specify)									

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 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 of and monitors the BR performance on a regular basis.

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

  The Company has not published a Sustainability Report till date.

Section E : Principle-wise Performance

Principle 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. *Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/Others?*

   The Code of Conduct presently covers the employees and the Company.

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

   During the financial year 2012-13 no complaint was received from any stakeholder relating to ethics, bribery or corruption.

Principle 2

Business should provide goods and service that are safe and contribute to sustainability throughout their life cycle

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

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

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

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

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

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

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

i. *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, around 38% of the lead and lead alloy requirements of the Company are being met through recycled lead.

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

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

5. *Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof in about 50 words or so.*

The Company ensures optimal usage of raw materials and emphasises on recycling the waste generated during manufacturing process and also promotes use of recycled materials. As explained earlier, recycled lead constitutes around 38% of the total lead and lead alloys used by the Company for manufacturing batteries. The Company also has two captive smelting units for recycling of lead. Apart from the above, the packaging material used by the Company also contains recycled paper to a significant extent. Also, most of the Plants of the Company use recycled waste water for cleaning and gardening purposes. Bio-gas is also generated from canteen waste in one of the plants.

Principle 3

Business should promote the wellbeing of all employees

1. Please indicate the total number of employees : 4894
2. Please indicate the total number of employees hired on temporary/contractual/casual basis : 5767
3. Please indicate the number of permanent women employees : 94
4. Please indicate the number of permanent employees with disabilities : 2
5. Do you have an employee association that is recognized by the management : Yes
6. What percentage of your permanent employees is members of this recognized employee association? : 24%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

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

8. *What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?*
   - Permanent employees : Around 50%
   - Permanent women employees : Nil
   - Casual/temporary/contractual employees : Around 39%
   - Employees with disabilities : Nil

Principle 4

Business should respect the interests of and be responsible towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. *Has the Company mapped its internal and external stakeholders?*

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

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

   The Company's factories are located in semi-urban areas where many basic amenities for the inhabitants of the neighbourhood 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 marginalized stakeholders? If so, provide details thereof in 50 words or so.*

   Depending upon the needs of the villages around the factories, the Company undertakes various social initiatives targeted at these stakeholders so as to alleviate their quality of life. These activities vary from time to time and are often implemented in consultation with the local community leaders. Further, several initiatives have also been taken for the benefit of such marginalised or disadvantaged sections of the society in other locations where the Company has major offices also. Broad details of such activities can be found in the Directors Report, under the Section - 'Corporate Social Responsibility'.

Principle 5

Business should respect and promote human rights

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

   The Company's policy on human rights presently covers both the Company and its subsidiaries.

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

   The Company did not receive any complaint regarding human rights violation during the financial year 2012-13.

Principle 6

Business should respect, protect and make efforts to restore the environment

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

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

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

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

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

   Yes the Company actively tries to identify, assess and address potential environmental risks and take pre-emptive action to minimize such risks in a structured manner.

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

   Several of the Company's products are targeted at providing clean energy or replacing polluting technologies. The Company is also engaged in solar power business whereby it manufactures batteries for 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 also has undertaken various projects for use of renewable energy, e.g. solar and wind power, in its various plants which leads to reduction in carbon footprint. As stated earlier, proactive steps are taken to reduce GHG emissions on a continual basis.

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

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

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

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

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

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

   No showcause/legal notices from the pollution control authorities are pending as at the end of the financial year.

Principle 7

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

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

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

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

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

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

Principle 8

Business should support inclusive growth and equitable development

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

   The Company has several socio-economic projects running in various parts of the country and particularly near its major plants. Among the major programmes, the Company is supporting the

UNICEF to work with the State Governments and a few selected NGOs to provide access to safe drinking water, sanitation and hygiene for women and children in rural areas, promote and provide menstrual hygiene management among rural women and promote clean school campaign in rural areas to highlight hygienic use of toilets and water etc.

The Company has also partnered with CINI-Asha to support its Community Based Early Childhood Stimulation project whereby 120 children in a major slum in Kolkata are benefitted.

Apart from these two major intervention projects, the Company's factories undertake various social projects involving the local community on a regular basis.

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

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

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

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

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

   The Company has spent around Rs 1.25 crores in CSR projects during 2012-13. Apart from this, the Company has made donations to various charitable organisations and other institutions engaged in the fields of health care, environmental protection, etc.

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

   Community development oriented projects at Exide are undertaken with a view to make the community self sufficient and self reliant. Setting up and development of physical infrastructural projects have definitely helped the community to a great extent. Further through impact analysis studies it has been found that the intervention oriented projects have substantially achieved the intended objectives.

Principle 9

Business should engage with and provide value to their customers and consumers in a responsible manner

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

   The Company has a robust CRM system to track customer feedback. During the year around 236 complaints were received through this system, out of which around 23% was awaiting resolution as on the last day of the financial year. Around 71 applications were filed in various consumer forum courts during the year which are being pursued for early resolution.

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/N.A./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 the customer aware about the safe usage and disposal of the products.

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

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

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

   No survey on customer satisfaction was carried out during 2012-13.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXIDE INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Exide Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

   (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number : 324982E
per Kamal Agarwal
Partner
Membership No.: 58652

Place of Signature : Mumbai
Date : 29th April, 2013

TO THE MEMBERS OF EXIDE INDUSTRIES LIMITED
(REFERRED TO IN OUR REPORT OF EVEN DATE)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) The company in an earlier year had granted unsecured loan to a company covered in the register maintained u/s 301 of Companies Act, 1956. The maximum amount involved during the year was Rs.0.07 crore and the year end balance of loan granted to such party was Nil.

(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.

(c) In respect of above loans granted, which was repayable on demand, the principal amount has been received during the year along with interest thereon.

(d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(e) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacture of company's products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of dues	Amount (Rs. in crore)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Service Tax	Determination of Assessable Value/Denial of Exemption Notification/Availment of Cenvat credit	4.18	1998-99 to 2010-11	Various Commissioner (Appeals)/ Deputy Commissioner
	– Do –	181.50	1996-97 to 2011-12	Various CESTAT
	– Do –	0.12	1993-94	Supreme Court
	MRP Based Assessment	65.20	2006-07 to 2009-10	CESTAT, Kolkata
The Central Sales Tax Act, 1956	Demand relating to non submission of C forms and other documents	7.88	1998-99 to 2010-11	Various Appellate Authorities
Various States Sales Tax Act	Demand relating to non submission of Local forms and other documents/ dispute related to VAT credit/dispute relating to classification of goods	13.96	1996-97 to 2010-11	Various Appellate Authorities
	Turnover Dispute	2.79	2005-06 to 2010-11	Various Appellate Authorities
The Income Tax Act, 1961	Disallowance of certain expenses	1.17	Assessment year 2007-08	Income Tax Appellate Tribunal

Out of the total dues against various excise demands, the Company has received stay order from appellate authorities for dues amounting to Rs. 170.10 crores.

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

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

(xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money through a public issue during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number: 324982E
per Kamal Agarwal
Partner
Membership No.: 58652

Place of Signature : Mumbai
Date : 29th April, 2013

BALANCE SHEET

AS AT 31ST MARCH 2013

Particulars	Note No.	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
I EQUITY AND LIABILITIES			
1) SHAREHOLDERS' FUND			
a) Share Capital	2	85.00	85.00
b) Reserves & Surplus	3	3,338.59	2,972.31
		3,423.59	**3,057.31**
2) NON-CURRENT LIABILITIES			
a) Deferred tax liabilities (Net)	4	97.65	82.50
b) Other Long term liabilities	5	7.14	4.14
c) Long-term provisions	6	20.59	16.45
		125.38	**103.09**
3) CURRENT LIABILITIES			
a) Trade payables	7	560.41	565.85
b) Other current liabilities	8	262.50	216.72
c) Short-term provisions	9	176.47	148.17
		999.38	**930.74**
TOTAL		**4,548.35**	**4,091.14**
II) ASSETS			
1) NON CURRENT ASSETS			
a) Fixed Assets			
i) Tangible assets	10	977.57	954.75
ii) Intangible assets	11	16.84	11.80
iii) Capital work-in-progress		58.77	26.64
b) Non-current investments	12	1,459.40	906.55
c) Long-term loans and advances	13	51.62	61.71
d) Other non-current assets	14	1.45	0.90
		2,565.65	**1,962.35**
2) CURRENT ASSETS			
a) Current investments	15	180.73	648.07
b) Inventories	16	1,167.10	965.01
c) Trade receivables	17	509.19	402.30
d) Cash and bank balances	18	74.79	57.67
e) Short-term loans and advances	19	48.20	51.32
f) Other current assets	20	2.69	4.42
		1,982.70	**2,128.79**
TOTAL		**4,548.35**	**4,091.14**
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For and on behalf of the Board of Directors

S R B C & CO LLP
Firm Registration Number: 324982E
Chartered Accountants

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2013

	Particulars	Note No.	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
INCOME				
I)	**Revenue from operations (Gross)**	21	6,862.21	5,671.54
	Less: Excise Duty		790.84	561.48
	Revenue from operations (Net)		**6,071.37**	**5,110.06**
II)	**Other income**	22	75.88	67.26
III)	**Total Revenue**		**6,147.25**	**5,177.32**
IV)	**EXPENSES :**			
	Cost of raw materials and components consumed	23	4,160.24	3,460.74
	Purchase of traded goods		14.52	7.30
	Increase in inventories of finished goods, work-in-progress and traded goods	24	(136.03)	(32.03)
	Employee benefit expenses	25	349.27	286.21
	Finance costs	26	4.17	5.30
	Depreciation and amortisation expenses	27	113.48	100.68
	Other expenses	28	899.32	703.95
	Total expenses		**5,404.97**	**4,532.15**
V)	**Profit before tax**		**742.28**	**645.17**
VI)	**Tax expenses:**			
	1. Current tax (Net of excess provision of earlier years reversed Rs 6.58 crs. (PY Rs 4.37 Crs))		204.35	169.00
	2. Deferred tax (including charge for earlier years Rs 4.22 Crs (PY Nil))		15.15	15.00
			219.50	**184.00**
VII)	**Profit for the Year**		**522.78**	**461.17**
	Earnings per share - Basic and Diluted (Nominal value Re 1 per share)		6.15	5.42
	Significant accounting policies	1		

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

For and on behalf of the Board of Directors

S R B C & CO LLP
Firm Registration Number: 324982E
Chartered Accountants
per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2013

		2012-2013		2011-2012	
		(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)
(A)	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Net Profit before tax		742.28		645.17
	Adjustment for :				
	Depreciation and Amortisation	113.48		100.68	
	Profit on Fixed Assets sold	(0.06)		(0.28)	
	Loss on Fixed Assets sold / discarded	0.43		0.59	
	Dividend Income	(69.85)		(63.28)	
	Interest Expense	4.17		5.30	
	Interest Income	(0.57)		(0.46)	
			47.60		42.55
	Operating profit before working capital changes		789.88		687.72
	Increase in Trade Receivables (net of provision)	(107.65)		(36.70)	
	Increase in Inventories	(201.73)		(106.16)	
	(Increase) / Decrease in Loans & Advances	4.22		(16.17)	
	Increase in Current Liabilities	70.00	(235.16)	165.58	6.55
	Cash generated from operations		554.72		694.27
	Direct Taxes Paid (net of refund)		(195.00)		(184.21)
	Net Cash from operating activities		359.72		510.06
(B)	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Fixed Assets	(159.83)		(199.55)	
	Sale of Fixed Assets	1.09		0.46	
	Acquisition of Business	(7.94)		(17.23)	
	Acquisition of Shares / units	(552.85)		(31.77)	
	Purchase of Mutual Fund units	(1,431.00)		(2,062.00)	
	Sale of Mutual Fund units	1,896.00		1,917.00	
	Interest Received	0.62		0.33	
	Dividend received	73.82		69.90	
	Net Cash used in investing activities		(180.09)		(322.86)
(C)	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Repayment of Long Term Borrowings	-		(2.09)	
	Net Payment of other borrowings	-		(0.06)	
	Dividends Paid (including tax)	(157.82)		(137.10)	
	Interest Paid	(4.69)		(5.02)	
	Net Cash used in financing activities		(162.51)		(144.27)
	Net Increase in cash and cash equivalents		17.12		42.93
	Cash and cash equivalents - Opening Balance #		57.67		14.74
	Cash and cash equivalents - Closing Balance #		74.79 *		57.67

as disclosed in Note 18

* Includes Rs. 4.40 crs (PY Rs.3.54 crs) lying in Unclaimed Dividend Account , being the amount available for restricted use.

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For and on behalf of the Board of Directors

S R B C & CO LLP
Firm Registration Number : 324982E
Chartered Accountants

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2013

1 SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The Company prepares its accounts under the Historical Cost Convention modified by revaluation of certain fixed assets. The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. For recognition of Income and expenses, Mercantile System of Accounting is followed. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

Sale of Goods

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

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

Interest

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

Dividends

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

d. Fixed Assets

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

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

e. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Long-Term investments.

Current Investments are stated at lower of cost or fair value on individual investment basis. Long Term Investments are considered at cost, unless there is other than temporary decline in value thereof, in which case adequate provision is made for diminution in the value of Investments. Investments in foreign companies are carried at exchange rates prevailing on the date of their acquisition.

f. Depreciation and Amortisation

i) The classification of plant & machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

ii) a) Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except for the assets shown in (b) below. Further, in respect of certain assets whose residual economic life, as determined by the approved valuer, is less than the residual life as per the books, depreciation is provided at the adjusted higher rates so that the value thereof is written off over the economic life determined by the valuer.

b) Based upon their respective useful economic life, depreciation on the following assets is provided at a rate higher than those specified in schedule- XIV of the Companies Act 1956:

Class of assets	Useful economic Life	Rate of Depreciation
Air conditioners, Refrigerators, Washing Machines, Water Coolers, Televisions (included in Furniture & Fittings)	6	15.83%
Motor Vehicles	6	15.83%
Computer Hardware	4	24.50%
Weighing Scales, & Transformers	15	6.53%
Pallet Trucks	10	9.80%

c) The Company has estimated the residual value of Plant & Machinery , moulds and computers to be 2% of the cost as against 5% specified in Section 205 (2)(c) of the Companies Act, 1956. Accordingly, 98% of the value of fixed assets is being depreciated in the accounts.

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

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

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

g. Intangible Assets

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

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

ii) Acquired computer software and licenses are capitalised on the basis of costs incurred to bring the specific intangibles to its intended use. These cost are amortised on a straight-line pro rata basis over their estimated useful life of five years.

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

h. Operating leases

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

i. Foreign Currency Transactions

(i) **Initial Recognition**

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

(ii) **Conversion**

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

(iii) **Exchange Differences**

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

(iv) **Forward Exchange Contracts**

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

j. Inventories

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

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

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

k. Borrowing Costs

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

l. Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity are capitalised. Administration and other general overhead expenses which are specifically attributable to the construction activity incurred during the construction period are capitalised as part of the indirect construction cost.

Other indirect expenditure (including borrowing costs) incurred during the construction period which are not related to the construction activity nor are incidental thereto, are charged to Statement of Profit and Loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

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

m. Excise Duty

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

n. Retirement and other employee benefits

i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective trusts.

ii) Gratuity and Post Retirement Medical Benefit liability are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.

iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year.

iv) Payments made under the Voluntary Retirement Scheme are charged to Statement of Profit and Loss.

v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in Note 30. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the contribution becomes due. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.

vi) Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

vii) The current and non current bifurcation is done as per Actuarial report.

o. Taxation

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

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

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

p. Earning per share

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

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

q. Provision

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

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

r. Segment reporting

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

s. Contingent Liabilities

No provision is made for liabilities, which are contingent in nature, but if material, these are disclosed by way of notes.

t. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2013

PARTICULARS	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
2. SHARE CAPITAL		
a) **Authorised**	100.00	100.00
1,000,000,000 (PY: 1,000,000,000) Equity Shares of Re. 1 each	100.00	100.00
b) **Issued, Subscribed & fully paid-up**	85.00	85.00
850,000,000 (PY: 850,000,000) Equity Shares of Re. 1 each	85.00	85.00

There is no change in number of shares in current year and last year

c) **Terms / rights attached to equity shares**

The company has only one class of Equity Shares having a Par Value of Re 1 per share .Each Holder of Equity Shares is entitled to one Vote per share. The company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31st March 2013, the amount of per share Dividend recognised as distributions to equity shareholders was Rs 1.60 (PY Rs 1.50 per share)

d) **Details of shareholders holding more than 5% shares in Company**	March 31, 2013	March 31, 2012
Name of Shareholder	Number of Shares	
Chloride Eastern Limited, UK holding 45.99% (PY : 45.99%)	39,09,54,666	39,09,54,666
Life Insurance Corporation of India holding 5.82% (PY 4.69%)	4,94,32,813	3,98,81,120

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders, the above shareholding represents legal ownership of shares.

PARTICULARS	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
3. RESERVES AND SURPLUS		
a) **Revaluation Reserve**		
Balance as per Last Account	25.68	27.20
Less: Adjusted towards assets sold / discarded	0.05	0.06
Less: Transfer to Depreciation Account	0.91	1.46
Closing Balance	**24.72**	**25.68**
b) **Securities Premium Account**		
Balance as per Last Account	737.88	737.88
c) **General Reserve**		
Balance as per Last Account	975.00	925.00
Add: Amount transferred from Statement of Profit and Loss	55.00	50.00
Closing Balance	**1,030.00**	**975.00**
d) **Contingency Reserve ***		
Balance as per Last Account	25.00	-
Add Created during the year	-	25.00
Closing Balance	**25.00**	**25.00**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
e) Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	1,208.75	967.36
Add :Profit for the year	522.78	461.17
Less: Appropriations		
Proposed final equity dividend (amount per share Re 0.60 (PY Re 0.60))	(51.00)	(51.00)
Tax on proposed equity dividend	(5.75)	(8.03)
Interim dividend (amount per share Re 1.00 (PY Re 0.90))	(85.00)	(76.50)
Tax on interim dividend	(13.79)	(9.25)
Transfer to General reserve	(55.00)	(50.00)
Transfer to Contingency reserve	-	(25.00)
Total Appropriations	**(210.54)**	**(219.78)**
Net Surplus in Statement of Profit and Loss	**1,520.99**	**1,208.75**
	3,338.59	**2,972.31**

* The Contingency reserve is created to set aside funds for meeting contingencies and claims .

4 DEFERRED TAX LIABILITY (NET)		
a) Deferred tax liability:		
Arising out of timing difference in depreciable assets	90.90	80.83
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	21.25	16.50
b) Deferred tax assets:		
On expenses allowable against taxable income in future years	7.30	4.60
Expenses disallowed in earlier assessments which are being contested	7.20	10.23
	97.65	**82.50**
5 OTHER LONG TERM LIABILITIES		
a) Trade payables	3.68	3.05
b) Others - For expenses	3.46	1.09
	7.14	**4.14**
Trade payables represents retention money withheld and which are payable after more than 12 months from the Balance Sheet date.		
6 LONG TERM PROVISIONS		
Provision for employee benefits (refer note 30)		
Post retirement medical benefits	3.35	3.33
Gratuity	1.64	-
Pension	1.13	-
Leave benefits	14.47	13.12
	20.59	**16.45**
7 TRADE PAYABLES		
a) Trade payable for goods & services (refer note no 35)	465.04	507.48
b) Acceptances	95.37	58.37
	560.41	**565.85**
8 OTHER CURRENT LIABILITIES		
a) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	4.40	3.54
b) Other payables -		
For Capital Goods	20.54	11.95
Taxes and duties payable	50.66	44.28
Advances from customers	15.79	18.74
For Selling Expenses	114.83	89.75
For Other Expenses	56.28	48.46
	262.50	**216.72**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
9. SHORT-TERM PROVISIONS		
a) Provision for employee benefits (refer note 30)		
Post retirement medical benefits	0.26	0.18
Leave benefits	2.42	1.39
b) Others		
Provision for Warranty Claims	117.04	87.57
Provision for proposed dividend	51.00	51.00
Provision for tax on proposed dividend	5.75	8.03
	176.47	**148.17**

Provisions for warranty Claims

A provision is recognised for expected warranty claims on batteries sold, based on past experience of the level of repairs and returns. Assumptions used to calculate the provision for warranty were based on sales and current information available about returns based on warranty period for all products sold. The table below gives information about movement in warranty provision :

Opening Balance	87.57	64.59
Add : Provision created during the year	169.95	129.58
Less : Product related warranties issued during the year	140.48	106.60
Closing Balance	117.04	87.57

10. TANGIBLE ASSETS

(Rs. In Crores)

	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Furniture & fittings	Vehicles	Computers	Total
Cost									
As at 1st April 2011	26.08	17.87	238.80	1,115.97	122.65	13.62	2.65	21.78	1,559.42
Additions	-	-	21.35	178.44	15.39	0.50	-	0.99	216.67
Acquisition through Purchase of business	0.32	-	2.36	1.90	-	0.35	-	0.07	5.00
Disposals / deductions	-	-	0.27	12.30	3.16	0.16	0.30	2.03	18.22
As at 31st March 2012	26.40	17.87	262.24	1,284.01	134.88	14.31	2.35	20.81	1,762.87
Additions	0.11	11.27	8.76	88.30	17.28	0.70	0.16	3.07	129.65
Acquisition through Purchase of business (refer note 11(a))	-	2.89	2.83	0.20	-	0.05	-	-	5.97
Disposals / deductions	-	-	0.07	11.37	5.99	0.27	0.27	2.15	20.12
As at 31st March 2013	26.51	32.03	273.76 (b)	1,361.14	146.17	14.79	2.24	21.73	1,878.37
Depreciation									
As at 1st April 2011	-	2.79	57.63	568.51	68.73	8.56	1.51	16.47	724.20
Charge for the year	-	0.22	7.29	79.92	10.31	0.88	0.30	2.41	101.33
Disposals / deductions	-	-	0.19	11.72	3.08	0.18	0.27	1.97	17.41
As at 31st March 2012	-	3.01	64.73	636.71	75.96	9.26	1.54	16.91	808.12
Charge for the year	-	0.25	7.62	89.36	11.26	0.88	0.26	1.65	111.28
Disposals / deductions	-	-	0.06	10.09	5.84	0.24	0.26	2.11	18.60
As at 31st March 2013	-	3.26	72.29	715.98	81.38	9.90	1.54	16.45	900.80
Net Block									
As at 31st March 2012	26.40	14.86	197.51	647.30	58.92	5.05	0.81	3.90	954.75
As at 31st March 2013	26.51	28.77	201.47	645.16	64.79	4.89	0.70	5.28	977.57

a. Conveyance deeds for certain immovable properties valued at Rs 3.77 crs (PY Rs 3.77 crs) are pending execution.
b. Includes Rs 0.10 crs (PY Rs 0.10 crs) being the cost of shares in Co-operative Housing Societies.
c. Land , Buildings and Plant & Machinery of the Company as on 31 March 1991 and 1999 were revalued by the approved valuers and the surplus arising thereon,has been transferred to Revaluation Reserve. As in the previous years, additional depreciation for the year on the revalued assets has been appropriated from the Revaluation Reserve.
d. Furniture & fittings above include office equipments.

11. INTANGIBLE ASSETS

(Rs. in Crores)

	Goodwill	Trade Mark	Computer Software	Total
Cost				
As at 1st April 2011	1.00	-	0.73	1.73
Additions	-	-	0.91	0.91
Acquisition through Purchase of business	11.10 (a)	-	-	11.10
Disposals / deductions	-		0.02	0.02
As at 31st March 2012	12.10	-	1.62	13.72
Additions	-	-	6.55	6.55
Acquisition through Purchase of business	0.03 (a)	1.57	-	1.60
As at 31st March 2013	12.13	1.57	8.17	21.87
Amortisation				
As at 1st April 2011	1.00	-	0.11	1.11
Charge for the year	0.56	-	0.25	0.81
As at 31st March 2012	1.56	-	0.36	1.92
Charge for the year	2.22	0.16	0.73	3.11
As at 31st March 2013	3.78	0.16	1.09	5.03
Net Block				
As at 31st March 2012	10.54	-	1.26	11.80
As at 31st March 2013	8.35	1.41	7.08	16.84

a. During the year, the company has acquired a Home UPS System business on a slump sale basis at a cash consideration of Rs 7.94 Crores (PY Rs 17.23 Crores).The assets acquired have been accounted for on a Fair Value basis and the remaining amount of Rs 0.03 Crores (PY Rs 11.10 Crores) has been recognised as Goodwill on such acquisition.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
12 NON- CURRENT INVESTMENTS (VALUED AT COST UNLESS STATED OTHERWISE)		
Trade (unquoted)		
GOVERNMENT SECURITIES		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
EQUITY SHARES, FULLY PAID UP		
SHARES IN SUBSIDIARY COMPANIES		
Chloride International Limited (450,000 shares of Rs. 10 each (PY 450,000 Shares))	0.20	0.20
Chloride Power Systems and Solutions Limited (1,980,000 shares of Rs. 10 each (PY 1,980,000 Shares))	2.93	2.93
Chloride Metals Limited (1,50,00,000 shares of Rs. 10 each (PY 1,50,00,000 shares)	34.65	34.65
Chloride Alloys India Limited (2,50,00,000 shares of Rs. 10 each (PY 2,50,00,000 shares)	74.37	74.37
Chloride Batteries S.E.Asia Pte Limited (7,000,000 shares of Singapore $ 1 each (PY 7,000,000 shares)	10.35	10.35
Espex Batteries Limited (102,000 shares of GBP 1 each (PY 102,000 shares))	0.78	0.78
Associated Battery Manufacturers (Ceylon) Ltd (3,896,640 shares of Sri Lankan Rupees 10 each (PY 3,896,640 shares))	7.31	7.31

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
NON TRADE (UNQUOTED)		
EQUITY SHARES, FULLY PAID UP SHARES		
IN SUBSIDIARY COMPANY		
ING Vysya Life Insurance Company Limited (146,48,83,000 shares of Rupees 10 each (PY 732,441,500 shares) [Refer note no 36]	1,294.39	744.43
DEBENTURES, FULLY PAID UP		
Woodlands Hospital and Medical Research Centre Ltd		
1/2% Debentures (20 debentures of Rs. 100 each (PY 20 debentures))	- ^	-
5% Non-redeemable Registered Debentures (1 debenture of Rs. 6000 each (PY 1 debenture))	- ^	-
OTHERS		
Faering Capital India Evolving Fund (76,901 units of Rs. 1000 each (PY 48,000 units))	7.69	4.80
Haldia Integrated Development Agency Ltd (500,000 units of Rs. 10 each (PY 500,000 units))	0.50	0.50
NON TRADE (QUOTED)		
EQUITY SHARES, FULLY PAID UP		
Hathway Cable and Datacom Limited (1,092,566 shares of Rs. 10 each (PY 1,092,566))	26.22	26.22
	1,459.40	**906.55**
(i) Aggregate value of unquoted investments -	1,433.18	880.33
(ii) Aggregate value of quoted investments (Market value Rs 29.42 Cr (PY Rs 17.99 Cr))	26.22	26.22

(iii) Diminution, based on the net worth as per the latest audited accounts of the relevant company, in the value of certain long term unquoted investments as on the Balance Sheet date, being temporary in nature, has not been provided for.

(iv) ^ Figures being less than Rs 50,000 in each case, has not been disclosed.

13 LONG-TERM LOANS AND ADVANCES

(i) Unsecured considered good		
a) Capital advances	5.33	5.22
b) Deposits - Others	8.87	8.71
c) Prepaid expenses	1.55	2.53
d) Advance Payment of Income Tax (net of Provisions)	35.56	44.66
e) Loans and advances to others	0.01	0.01
f) Loans to employees	0.30	0.50
g) Loans and advances to related party (refer note no 32)	-	0.08
(ii) Unsecured considered doubtful		
a) Advances recoverable in cash or kind	2.42	2.51
b) Balances with Customs, Sales Tax & Excise Authorities	1.93	1.93
c) Deposits - Others	0.10	0.10
	56.07	66.25
Less: Provision for doubtful deposits and advances	4.45	4.54
	51.62	**61.71**

14 OTHER NON-CURRENT ASSETS

Unsecured, Considered good unless stated otherwise		
a) Trade Receivables	1.45	0.90
	1.45	**0.90**

Represents portion of Trade Receivables which are recoverable after more than 12 months from the Balance Sheet date.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
CURRENT ASSETS		
15 CURRENT INVESTMENTS		
Non Trade (Unquoted) (at lower of cost and fair value)		
UNITS OF MUTUAL FUND		
ING Treasury Advantage Fund - Institutional Daily Dividend Reinvestment 2,71,40,395 units of Rs 10 (PY 2,81,44,632 units of Rs 10)	27.17	28.15
ING Liquid Fund - Super Institutional -Daily Dividend Reinvestment 8,34,98,126 units of Rs 10 (PY 21,81,38,256 units of Rs 10)	83.54	218.24
Kotak Flexi Debt Scheme Institutional - Daily Dividend Nil (PY 2,49,78,973 units of Rs 10)	-	25.10
Templeton India Ultra Short Bond Fund Super Institutional - Daily Dividend Reinvestment 1,99,72,943 units of Rs 10 (PY 5,01,63,867 units of Rs 10)	20.01	50.22
DSP Black Rock Liquidity Fund -Institutional Plan -Daily Dividend Reinvetsment 1,00,026 units of Rs 1000 (PY 2,01,164 units of Rs 1000)	10.01	20.12
IDFC Ultra Short Term Fund - Daily Dividend Reinvestment - Regular Plan 99,91,146 units of Rs 10 (PY 2,00,86,636 units of Rs 10)	10.00	20.09
Birla Sunlife Savings Fund - Institutional-Daily Dividend Reinvestment Nil (PY 20,07,499 units of Rs 100)	-	20.09
Birla Sunlife Cash Plus - Institutional Premium - Daily Dividend Reinvestment Nil (PY 5,02,140 units of Rs 100)	-	5.03
HDFC Floating Rate Income Fund - Short Term Wholesale - Daily Dividend Reinvestment 99,22,899 units of Rs 10 (PY 3,01,11,394 units of Rs 10)	10.00	30.21
SBI Ultra Short Term Debt Fund - Regular - Daily Dividend Reinvestment 99,872 units of Rs 1000 (PY 2,01,148 units of Rs 1000)	10.00	20.13
IDBI Ultra Short Term Fund - Daily Dividend Reinvestment 99,915 units of Rs 1000 (PY 1,50,886 units of Rs 1000)	10.00	15.09
DWS Ultra Short Term Fund - Institutional - Daily Dividend Reinvestment Nil (PY 1,00,42,947 units of Rs 10)	-	10.06
BNP Paribas Money Plus Institutional - Daily Dividend Reinvestment Nil (PY 1,00,61,412 units of Rs 10)	-	10.07
Canara Robeco Liquid - Super Institutional - Daily Dividend Reinvestment Fund Nil (PY 1,21,393 units of Rs 1000)	-	10.06
TATA Floater Fund Daily Dividend Nil (PY 1,50,36,297 units of Rs 10)	-	15.09
India Bulls Liquid Fund - Daily Dividend Reinvestment Nil (PY 2,51,578 units of Rs 1000)	-	25.16
India Bulls Ultra Short Term Fund - Weekly Dividend Reinvestment Nil (PY 2,51,583 units of Rs 1000)	-	25.16
Non Trade (Quoted) (at lower of cost and fair value)		
UNITS OF MUTUAL FUND		
ICICI Prudential Interval Fund II Quarterly Interval Plan D - Institutional Dividend Nil (PY 1,00,00,000 units of Rs 10)	-	10.00
SBI Debt Fund Series - 90 Days - 55 Dividend Nil (PY 1,00,00,000 units of Rs 10)	-	10.00
SBI Debt Fund Series - 90 Days - 60 Dividend Nil (PY 1,00,00,000 units of Rs 10)	-	10.00

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
UTI - Fixed Income Interval Fund - SERIES II - Quarterly Interval Plan V - Institutional Dividend Plan Nil (PY 50,00,000 units of Rs 10)	-	5.00
UTI - Fixed Income Interval Fund - SERIES II - Quarterly Interval Plan VI - Institutional Dividend Plan Nil (PY 50,00,000 units of Rs 10)	-	5.00
Reliance Quarterly Interval Fund - Series II - Institutional Dividend Plan Nil (PY 2,00,00,000 units of Rs 10)	-	20.00
DSP Black Rock FMP -Series 29-3M-Dividend Nil (PY 1,00,00,000 units of Rs 10)	-	10.00
LIC Nomura MF Interval Fund - Series1 - Quarterly Dividend Plan Nil (PY 1,00,00,000 units of Rs 10)	-	10.00
HDFC FMP 92D February 2012 (3) - Dividend Nil (PY 1,00,00,000 units of Rs 10)	-	10.00
IDFC FMP QS 69 Dividend Nil (PY 50,00,000 units of Rs 10)	-	5.00
IDFC FMP QS 71 Dividend Nil (PY 50,00,000 units of Rs 10)	-	5.00
	180.73	**648.07**
(i) Aggregate value of quoted investments (Market value Rs Nil (PY Rs 100.99 Crs))	-	100.00
(ii) Aggregate value of unquoted investments	180.73	548.07
16 INVENTORIES		
(At Lower of cost and net realisable value)		
a) Stores,spare parts, loose tools etc	24.05	22.73
b) Raw materials and components [Including in transit/ lying in bonded warehouse Rs.107.94 cr (PY Rs.54.48 cr)]	443.03	378.29
c) Work-in-progress	286.80	258.17
d) Finished goods	349.72	258.27
Add Excise Duty	59.86	46.27
	409.58	304.54
e) Trading Goods	3.64	1.28
	1,167.10	**965.01**
17 TRADE RECEIVABLES (UNSECURED)		
a) Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	16.18	2.00
b) Others		
Considered good	493.01	400.30
Total (Refer Note no 32 for Related Party disclosure)	**509.19**	**402.30**
18 CASH AND BANK BALANCE		
Cash and Cash Equivalents		
a) Balances with banks on		
Current Account	70.15	43.93
Deposit having original maturity of three months or less	-	10.00
b) Cash in hand	0.24	0.20
c) Unpaid Dividend Account	4.40	3.54
	74.79	**57.67**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
19 SHORT-TERM LOANS AND ADVANCES		
Unsecured considered good		
a) Advances recoverable in cash or kind	23.59	24.78
b) Prepaid expenses	5.16	2.33
c) Balances with Customs,Sales Tax & Excise Authorities	11.97	18.46
d) Deposits - Others	7.18	5.43
e) Loans to employees	0.30	0.32
	48.20	**51.32**
20 OTHER CURRENT ASSETS		
Unsecured, Considered good unless stated otherwise		
a) Interest accrued on deposits and others	-	0.09
b) Dividend receivable from subsidiaries	2.69	4.33
	2.69	**4.42**

	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
21 REVENUE FROM OPERATIONS		
Sale of products		
Finished Goods	6,848.59	5,654.56
Traded Goods	13.62	16.98
	6,862.21	5,671.54
Less : Excise duty	790.84	561.48
	6,071.37	**5,110.06**

(i) Sales are net of price adjustments , discounts, trade incentives , VAT , Sales Tax etc.

(ii) Excise duty includes Rs. 35.51 crs (PY Rs. 23.03 crs) paid on batteries issued towards warranty claims.

Details of products sold		
Finished goods		
Storage batteries	6,713.55	5,646.18
Home UPS Systems	135.04	8.38
	6,848.59	5,654.56
Traded goods		
Storage batteries	11.06	12.38
Home UPS Systems	2.56	4.60
	13.62	16.98
22 OTHER INCOME		
Interest Income on		
Bank deposits	0.10	0.10
Others	0.47	0.36
Dividend Income on		
Long Term Trade Investments in subsidiaries	21.75	29.05
Current Non Trade investments	48.10	34.23
Gain on sale of fixed assets	0.06	0.28
Bad debt recovered	0.08	0.02
Other non-operating income	5.32	3.22
	75.88	**67.26**

	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
23 COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Opening Stock	378.29	308.73
Add: Purchases (including Processing charges , Procurement expenses etc , and after adjusting Cenvat Credits)	4,224.98	3,530.30
	4,603.27	**3,839.03**
Less : Closing Stock	443.03	378.29
	4,160.24	**3,460.74**
Details of raw materials and components consumed		
Lead and Lead alloy	3,210.74	2,766.53
Others	949.50	694.21
	4,160.24	**3,460.74**

Materials consumed includes warranty costs Rs 134.07 crs (PY Rs 106.56 crs) and is net off export incentives Rs.5.64 crs (PY Rs. 6.77 crs), and purchase tax set-off nil (PY Rs 0.49 crs)

	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
24 INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN - PROGRESS AND TRADED GOODS		
Opening Stock		
Work-in-progress	258.17	269.39
Finished goods	258.27	217.10
Traded Goods	1.28	9.80
	517.72	**496.29**
Closing Stock		
Work-in-progress	286.80	258.17
Finished goods	349.72	258.27
Traded Goods	3.64	1.28
	640.16	**517.72**
Increase in Excise Duty on Finished Goods	(13.59)	(10.60)
	(136.03)	**(32.03)**
Details of purchase of Traded Goods		
Storage batteries	12.62	3.31
Home UPS Systems	1.90	3.99
	14.52	**7.30**
Details of inventory - work in progress		
Storage batteries	282.83	257.34
Home UPS Systems	3.97	0.83
	286.80	**258.17**
Details of inventory - Finished Goods		
Storage batteries	318.74	253.99
Home UPS Systems	30.98	4.28
	349.72	**258.27**
Details of inventory - Traded Goods		
Storage batteries	3.06	0.47
Home UPS Systems	0.58	0.81
	3.64	**1.28**

	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
25 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	284.80	238.42
Contribution to provident and other funds (Refer Note 30)	22.75	15.37
Staff welfare expenses	41.72	32.42
	349.27	**286.21**
26 FINANCE COSTS		
Interest expenses	4.17	5.30
	4.17	**5.30**
27 DEPRECIATION AND AMORTISATION		
Depreciation of tangible assets	111.28	101.33
Amortisation of intangible assets	3.11	0.81
Less: Transfer from revaluation reserve	(0.91)	(1.46)
	113.48	**100.68**
28 OTHER EXPENSES		
Stores and spare parts consumed	57.44	48.86
Power and fuel	225.21	178.51
Battery Charging / Battery assembly expenses	90.41	65.73
Repairs and maintenance		
Buildings	7.08	5.58
Plant & machinery	23.84	20.62
Others	7.55	6.14
Rent & Hire Charges	18.08	14.47
Rates and taxes	2.06	1.65
Insurance	1.89	1.53
Commission	2.34	2.74
Royalty and Technical Aid Fees	25.58	11.65
Publicity and Sales Promotion	72.91	54.44
Freight & Forwarding (net)	190.93	136.95
Cash Discounts	58.11	43.59
After Sales Services	32.92	24.68
C & F Expenses	21.72	19.96
Travelling & Conveyance	18.09	14.53
Bank Charges	1.59	2.24
Communication Costs	4.97	5.24
Donations	0.25	0.31
Directors' Sitting Fees	0.03	0.03
Loss on Fixed assets sold/discarded	0.43	0.59
Auditors' Remuneration :		
As Auditors		
- For Statutory audit	0.40	0.39
- For Limited Reviews	0.26	0.26
- For Others	0.04	0.03
As Tax Auditors	0.05	0.05
Other Services	0.03	0.14
Out of pocket expenses	0.02	0.01
Net foreign exchange Loss	1.47	12.65
Miscellaneous expenses (refer Note 29)	33.62	30.38
	899.32	**703.95**

i) The Company has a full-fledged Research and Development Center and it has thereby been able to considerably further its efficiency. During the year, a sum of Rs. 11.10 crs. (PY Rs. 12.05 crs), including capital expenditure Rs. 0.20 crs. (PY Rs. 0.94 crs), was spent on Research and Development work.

ii) Stores and Spares consumed is exclusive of Rs. 0.69 crs (PY Rs 0.46 crs) being the amounts allocated to other heads of expenses.

iii) Rent and Hire charges include Rs 0.51 crs (PY Rs. 0.54 crs) towards lease of residential apartments. These are cancellable leases, renewable by mutual agreement. Generally, there is no escalation clause and no other restrictions imposed by the lease arrangements. There are no sub-leases.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
29. MISCELLANEOUS EXPENSES		
Motor Vehicle Running Expenses	4.55	4.00
Consultancy & Services outsourced	8.54	7.77
Security Service Charges	6.43	5.50
General Expenses	0.72	0.52
Legal Expenses	2.91	2.81
Printing & Stationery	5.23	4.66
TQM Expenses	0.18	0.50
CSR Expenses	1.25	1.05
Pollution Control Expenses	2.06	1.56
Testing Charges	0.40	0.41
Liquidated Damages	0.21	0.63
Battery Erection / Installation Costs	1.14	0.97
	33.62	**30.38**

30. 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 31 March 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 31 March 2003 is in the nature of a defined benefit plan. From 1 April 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 profit and loss account and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans .

	Rs. in Crores For the year ended 31st March 2013			Rs. in Crores For the year ended 31st March 2012		
	GRATUITY	PENSION Plan (Benefit)	PRMB	GRATUITY	PENSION Plan (Benefit)	PRMB
I. Expenses recognised in the statement of Profit & Loss						
1. Current / Past Service Cost	3.52	-	0.11	3.33	-	0.09
2. Interest Cost	4.00	0.61	0.29	3.61	0.57	0.28
3. Expected Return on plan assets	4.52	0.69	-	4.07	0.75	-
4. Actuarial (Gains) / Losses	4.10	(0.45)	(0.14)	(1.18)	(0.37)	(0.30)
5. Total Expense	7.10	(0.53)	0.26	1.69	(0.55)	0.07

	Rs. in Crores For the year ended 31st March 2013 GRATUITY	PENSION Plan (Benefit)	PRMB	Rs. in Crores For the year ended 31st March 2012 GRATUITY	PENSION Plan (Benefit)	PRMB
II. Net Asset / (Liability) recognised in the Balance Sheet						
1. Present Value of Defined Benefit Obligation	56.78	7.26	3.61	48.72	7.25	3.51
2. Fair Value of Plan Assets	55.14	6.13	-	49.68	8.65	-
3. Net Asset / (Liability)	(1.64)	(1.13)	(3.61)	0.96	1.40	(3.51)
III. Change in Obligation during the year						
1. Present Value of Defined Benefit Obligation at the beginning of the year	48.72	7.25	3.51	47.30	7.17	3.59
2. Current Service Cost/Plan amendments	3.52	-	0.11	3.33	-	0.09
3. Interest Cost	4.00	0.61	0.29	3.61	0.57	0.28
4. Benefits Paid	3.45	0.16	0.16	4.43	0.19	0.15
5. Actuarial (Gains) / Losses	4.25	(0.44)	(0.14)	(1.09)	(0.30)	(0.30)
6. Present Value of Defined Benefit Obligation at the end of the year	57.04	7.26	3.61	48.72	7.25	3.51
IV. Change in the Fiar Value of Plan Assets during the year						
1. Plan assets at the beginning of the year	49.68	8.65	-	44.91	9.51	-
2. Expected return on plan asstes	4.52	0.69	-	4.07	0.75	-
3. Contribution by employer	4.50	(3.06)	0.16	5.05	(1.49)	0.15
4. Actual Benefits Paid	3.45	0.16	0.16	4.43	0.19	0.15
5. Actuarial Gains / (Losses)	0.14	0.01	-	0.08	0.07	-
6. Plan assets at the end of the year	55.39	6.13	-	49.68	8.65	-
7. Actual return on Plan Assets	4.66	0.70	-	4.15	0.82	-

V. In 2013-14 the Company expects to contribute Rs 6.00 crs (Rs 5.00 crs) to gratuity and Rs 3.00 crs (Rs 0.50 crs) to Pension.

VI. The major categories of plan assets as a percentage of the fair value of total plan assets						
Investments with insurer	100%	100%	-	100%	100%	-

VII. Actuarial Assumptions

1. Discount Rate	8.25 % p.a (8.50 %)
2. Expected rate of return on plan assets	9.00 % p a (9.00%)
3. Mortality pre retirement	Standard Table LIC (1994-96) Ultimate
4. Mortality post retirement	Mortality for annuitants LIC (1996-98) Ultimate
5. Employee Turnover Rate	4.20% (4.20 %)

VIII Healthcare cost trend rates have no effect on the amounts recognised in the profit and loss account, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change.

IX. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

X. Contribution to Provident and Other Funds includes Rs 16.48 crs (Rs 14.94 crs) paid towards Defined Contribution Plans.

30. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

Rs Crores

		Year ended March 13	Year ended March 12	Year ended March 11	Year ended March 10	Year ended March 09
XI.	Amount for the current and previous four periods are as follows :					
1	Gratuity					
	Defined Benefit Obligation	56.78	48.72	47.30	37.12	29.24
	Plan Assets	55.14	49.68	44.91	36.52	29.36
	Surplus / (deficit)	(1.64)	0.96	(2.39)	(0.60)	0.12
	Experience Gain / (loss) adjustments on plan liabilities	3.07	(0.57)	(2.87)	(11.15)	(0.57)
	Experience Gain / (loss) adjustments on plan assetsz	0.14	0.09	0.30	0.49	0.17
2	Pension					
	Defined Benefit Obligation	7.26	7.25	7.17	9.59	9.42
	Plan Assets	6.13	8.65	9.51	13.01	12.53
	Surplus / (deficit)	(1.13)	1.40	2.34	3.42	3.11
	Experience Gain / (loss) adjustments on plan liabilities	0.49	0.19	0.61	(0.03)	(0.39)
	Experience Gain / (loss) adjustments on plan assets	0.01	0.07	0.09	0.33	0.20
3	Post Retirement Medical Benefit					
	Defined Benefit Obligation	3.61	3.51	3.59	3.11	2.47
	Experience Gain / (loss) adjustments on plan liabilities	0.21	0.16	(0.55)	(0.75)	(0.01)

31. SEGMENT REPORTING

As the Company's business activity falls within a single primary business segment, viz " Storage Batteries and allied products", no separate segment information is disclosed. Secondary information is reported geographically.

Geographical Segments

The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas operations as under:

(Rs. In Crores)

	For the Year ended 31st March 2013		
Particulars	**India**	**Overseas**	**Total**
Revenue (Gross Sale)	6,591.80	270.41	6,862.21
Carrying Amount :			
Tangible assets	2,839.08	52.30	2,891.38
Intangible assets	16.84	-	16.84
Additions :			
Tangible assets	167.86	-	167.86
Intangible assets	8.15	-	8.15

	For the Year ended 31st March 2012		
Particulars	**India**	**Overseas**	**Total**
Revenue (Gross Sale)	5,486.56	184.98	5,671.54
Carrying Amount :			
Tangible assets	2,493.41	31.31	2,524.72
Intangible assets	11.80	-	11.80
Additions :			
Tangible assets	187.56	-	187.56
Intangible assets	12.01	-	12.01

32. RELATED PARTY DISCLOSURE:

i) Particulars of related parties :

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)
   - Chloride Alloys India Limited (CAIL)
   - ING VYSYA Life Insurance Company Limited (w.e.f 22 March 2013) [IVL]
   - Exide Batteries (Pvt) Limited. (Subsidiary of CBSEA)
2. Associate Company
   - ING VYSYA Life Insurance Company Limited (Upto 21 March 2013) [IVL]
3. 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
4. Key Management Personnel (As on 31st March, 2013)
   - Mr T V Ramanathan, Whole Time Director
   - Mr G Chatterjee, Whole Time Director
   - Mr P K Kataky, Whole Time Director
   - Mr A K Mukherjee, Whole Time Director
   - Mr Nadeem Kazim, Whole Time Director
   - Mr Supriyo Coomer, Company Secretary
5. Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year.
   - Nil

ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Subsidiaries		Associate Companies		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2013
Purchases of goods - C I L	-	-	-	-	-	-	-	-	-
	(0.03)	-	-	-	-	-	-	(0.03)	-
- A B M L	3.19	-	-	-	-	-	-	3.19	-
	(1.11)	-	-	-	-	-	-	(1.11)	-
- Chloride Metals	605.50	1.10	-	-	-	-	-	605.50	1.10
	(506.26)	(6.12)	-	-	-	-	-	(506.26)	(6.12)
- Chloride Alloys	790.49	3.37	-	-	-	-	-	790.49	3.37
	(953.61)	(18.37)	-	-	-	-	-	(953.61)	(18.37)
- Espex	0.01	-	-	-	-	-	-	0.01	-
	-	-	-	-	-	-	-	-	-
- CPSSL	2.40	0.55	-	-	-	-	-	2.40	0.55
	(5.53)	(0.19)	-	-	-	-	-	(5.53)	(0.19)
- Total	**1,401.59**	**5.02**	**-**	**-**	**-**	**-**	**-**	**1,401.59**	**5.02**
	(1,466.54)	**(24.68)**	**-**	**-**	**-**	**-**	**-**	**(1,466.54)**	**(24.68)**
Sale of goods - CBSEA	64.52	27.50	-	-	-	-	-	64.52	27.50
	(62.81)	(10.56)	-	-	-	-	-	(62.81)	(10.56)
- CPSSL	40.80	6.62	-	-	-	-	-	40.80	6.62
	(38.56)	(9.82)	-	-	-	-	-	(38.56)	(9.82)
- Espex	34.51	14.76	-	-	-	-	-	34.51	14.76
	(26.86)	(7.78)	-	-	-	-	-	(26.86)	(7.78)
- Chloride Metals	194.96	23.98	-	-	-	-	-	194.96	23.98
	(147.58)	(22.01)	-	-	-	-	-	(147.58)	(22.01)
- Chloride Alloys	206.96	41.60	-	-	-	-	-	206.96	41.60
	(180.57)	(23.08)	-	-	-	-	-	(180.57)	(23.08)
- Total	**541.75**	**114.46**	**-**	**-**	**-**	**-**	**-**	**541.75**	**114.46**
	(456.38)	**(73.25)**	**-**	**-**	**-**	**-**	**-**	**(456.38)**	**(73.25)**

32. RELATED PARY DISCLOSURE (CONTD.)

ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Subsidiaries		Associate Companies		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2013
Cost of management services recovered									
- CIL	0.04	-	-	-	-	-	-	0.04	-
	(0.04)	-	-	-	-	-	-	(0.04)	-
- Chloride Metals	0.34	-	-	-	-	-	-	0.34	-
	(0.48)	-	-	-	-	-	-	(0.48)	-
- Chloride Alloys	0.36	-	-	-	-	-	-	0.36	-
	(0.74)	-	-	-	-	-	-	(0.74)	-
- Total	**0.74**	**-**	**-**	**-**	**-**	**-**	**-**	**0.74**	**-**
	(1.26)	**-**	**-**	**-**	**-**	**-**	**-**	**(1.26)**	**-**
Rent and Maintenance Costs									
- CIL	0.33	-	-	-	-	-	-	0.33	-
	(0.33)	-	-	-	-	-	-	(0.33)	-
Employee Welfare Expenses									
- IVL	-	-	0.43	-	-	-	-	0.43	-
	-	-	(0.43)	-	-	-	-	(0.43)	-
Rights Issue of Shares									
- CML	-	-	-	-	-	-	-	-	-
	-	-	(9.65)	-	-	-	-	(9.65)	-
- CAIL	-	-	-	-	-	-	-	-	-
			(20.32)	-	-	-	-	(20.32)	-
Dividend Income									
- ABML	1.53	0.59	-	-	-	-	-	1.53	0.59
	(2.77)	(0.91)	-	-	-	-	-	(2.77)	(0.91)
- C B S E A	2.25	2.10	-	-	-	-	-	2.25	2.10
	(5.41)	(1.93)	-	-	-	-	-	(5.41)	(1.93)
- Chloride Alloys	7.50	-	-	-	-	-	-	7.50	-
	(14.04)	-	-	-	-	-	-	(14.04)	-
- Chloride Metals	7.50	-	-	-	-	-	-	7.50	-
	(5.35)	-	-	-	-	-	-	(5.35)	-
- CPSSL	2.97	-	-	-	-	-	-	2.97	-
	(1.49)	(1.49)	-	-	-	-	-	(1.49)	(1.49)
- Total	**21.75**	**2.69**	**-**	**-**	**-**	**-**	**-**	**21.75**	**2.69**
	(29.06)	**(4.33)**	**-**	**-**	**-**	**-**	**-**	**(29.06)**	**(4.33)**
Technical Assistance Expenses									
- CEIL	-	-	-	-	0.11	-	-	0.11	-
	-	-	-	-	(0.11)	-	-	(0.11)	-
Technical Assistance Income	-	-	-	-	-				
- ABML	0.39	0.09	-	-	-	-	-	0.39	0.09
	(0.35)	(0.09)	-	-	-	-	-	(0.35)	(0.09)
Loans Given - ESPEX #	-	-	-	-	-	-	-	-	-
	-	(0.08)	-	-	-	-	-	-	(0.08)
Interest Income - ESPEX	-	-	-	-	-	-	-	-	-
	(0.01)	(0.01)	-	-	-	-	-	(0.01)	(0.01)
Remuneration									
to Directors	-	-	-	-	-	-	8.19*	8.19	3.54
	-	-	-	-	-	-	(6.65)	(6.65)	(2.53)
to Others	-	-	-	-	-	-	0.38	0.38	-
	-	-	-	-	-	-	(0.42)	(0.42)	-
- Total	**-**	**-**	**-**	**-**	**-**	**-**	**8.57**	**8.57**	**3.54**
	-	**-**	**-**	**-**	**-**	**-**	**(7.07)**	**(7.07)**	**(2.53)**

Notes :

(1) Dividend amounting to Rs 23.46 crs was paid for the year 2011-12 final (Rs 23.46 crs for the year 2010-11 final) and Rs 39.09 crs for Interim Dividend 2012-13 (Rs 35.19 crs for Interim Dividend 2011-12) to Chloride Eastern Limited, UK.

* Details furnished in Corporate Governance Report.

Represents GBP 10,000 Loan with interest at GBP LIBOR plus 100 basis points, without any repayment schedule.

Maximum amount outstanding during the year Rs 0.08 crs (PY Rs 0.08 crs). The loan has been realised during the year .

	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
33 EARNINGS PER SHARE (EPS)		
Details for calculation of basic and diluted earning per share:		
Profit after tax as per Statement of Profit and Loss	522.78	461.17
Weighted average number of equity share (Numbers)	85,00,00,000	85,00,00,000
Basic and diluted earning per share (Rs.)	6.15	5.42

	As at 31st March, 2013	As at 31st March, 2012
34 UNHEDGED FOREIGN CURRENCY EXPOSURE		
Trade Receivables	48.13	27.73
Loans given to an overseas subsidiary	-	0.08
Investments in overseas subsidiaries	18.44	18.44
Dividend and Technical fees receivable	2.78	2.93
Trade Payables for Goods & Services	64.30	118.58
	133.65	**167.76**
35 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006		
Principal amount due	8.85	6.77
Interest due on above	0.01	0.01
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	-	-
Amount of interest due and payable for the period of delay	0.01	0.01
Amount of interest accrued and remaining unpaid as at year end	0.03	0.02
Amount of further interest remaining due and payable in the succeeding year	-	-

36 ACQUISITION OF ADDITIONAL STAKE IN ING VYSYA LIFE INSURANCE COMPANY LIMITED

During the year, the Company acquired the remaining 50% shares of ING Vysya Life Insurance Company Limited (IVL) from the other shareholders , after obtaining necessary approvals from Competition Commission of India (CCI) and Insurance Regulatory and Development Authority (IRDA), at a consideration of Rs 549.33 Crores. Consequent to such acquisition of shares , IVL has now become a wholly owned subsidiary of the Company

	As at 31st March, 2013	As at 31st March, 2012
37 CAPITAL AND OTHER COMMITMENTS		
Commitment for acquisition of fixed assets	55.88	53.71
Commitment for investment	12.31	15.20
Other Commitments	20.00*	22.00
	88.19	**90.91**
* Payable over a period of next four years .		
38 CONTINGENT LIABILITIES		
Outstanding Bank Guarantees / Indemnity Bonds	18.24	15.93
Sales Tax demands	15.14	1.53
Excise Duty demands	34.32*	33.77
Service Tax demands	-	0.77
Income Tax demands	4.46	6.50
Other claims being disputed by the Company	0.44	0.45
Claim from a landlord , an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	72.60	**58.95**

* 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.

	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores
39 VALUE OF RAW MATERIALS AND COMPONENTS CONSUMED		
Imported- 14.5 % (PY 19.0 %)	602.25	657.07
Indigenous- 85.5 % (PY 81.0 %)	3,557.99	2,803.67
	4,160.24	**3,460.74**
40 VALUE OF STORES AND SPARE PARTS CONSUMED		
Imported- 15.8 % (PY 15.7 %)	9.10	7.65
Indigenous -84.2 % (PY 84.3 %)	48.34	41.21
	57.44	**48.86**
41 VALUE OF IMPORTS (C.I.F BASIS)		
Raw Materials and Components	745.77	724.78
Trading Items	12.41	2.28
Spare Parts	21.07	12.62
Capital Goods	56.56	91.5
	835.81	**831.18**
42 INCOME & EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)		
Income		
Export(f.o.b. value)	157.32	177.81
Dividend	3.78	8.18
Technical Assistance Fee	0.39	0.35
Expenditure		
Royalty	15.87	9.71
Technical Assistance Fee	0.26	0.49
Others	1.60	2.11
43 REMITTANCE IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDENDS TO NON-RESIDENT SHAREHOLDERS		
Number of Shareholders	1	1
Number of Shares held	39,09,54,666	39,09,54,666
Net amount of dividend remitted (Rs. Crores)	62.55	58.65
Amount remitted for	2011-12 (Final) and 2012-13 (interim)	2010-11 (Final) and 2011-12 (interim)

The above information exclude particulars in respect of certain non-resident shareholders for whom dividend warrants were sent to the shareholders' banks in India , with prior approval of the Reserve Bank of India.

44 PREVIOUS YEAR FIGURES HAVE BEEN REGROUPED / REARRANGED WHERE NECESSARY.

As per our report of even date.

As Approved,

S R B C & CO LLP
Firm Registration Number : 324982E
Chartered Accountants

For and on behalf of the Board of Directors

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Exide Industries Limited

We have audited the accompanying consolidated financial statements of Exide Industries Limited ("the Company") and its subsidiaries, which comprise the Consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of Rs. 7,718.25 crores as at March 31, 2013, total revenues of Rs. 436.80 crores and net cash flows amounting to Rs. 90.97 crores for the year then ended. We also did not audit the financial statements of the associate Company for the year ended 31st March 2013 whose share of profit attributable to the group is Rs. 11.22 crores for the year. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number : 324982E
per Kamal Agarwal
Place of Signature : Mumbai Partner
Date : 29th April, 2013 Membership No.: 58652

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No.	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
I. EQUITY AND LIABILITIES			
1) **SHAREHOLDERS' FUND**			
a) Share Capital	2	85.00	85.00
b) Reserves & Surplus	3	2,994.69	2,602.33
		3,079.69	**2,687.33**
2) Minority Interest	4	11.16	12.50
3) **NON-CURRENT LIABILITIES**			
a) Long Term Borrowings	5	2.38	2.58
b) Deferred tax liabilities (Net)	6	103.66	86.87
c) Other Long term liabilities	7	7.36	4.39
d) Long-term provisions	8	26.74	19.28
e) Policyholders' Fund	9	6,237.81	–
f) Fund for discontinued polices		15.21	–
g) Fund for future Appropriation		4.42	–
		6,397.58	**113.12**
4) **CURRENT LIABILITIES**			
a) Short-term borrowings	10	48.61	24.52
b) Trade payables	11	995.39	689.82
c) Other current liabilities	12	391.48	241.65
d) Short-term provisions	13	183.24	153.62
e) Policyholders' Fund	14	201.56	–
		1,820.28	**1,109.61**
TOTAL		**11,308.71**	**3,922.56**
II. ASSETS			
1) **NON CURRENT ASSETS**			
a) Fixed Assets			
i) Tangible assets	15	1,075.76	1,045.55
ii) Intangible assets	16	19.62	11.98
iii) Capital work-in-progress		60.77	27.39
b) Goodwill on consolidation	17	581.90	46.71
c) Non-current investments			
i) Investments of Life insurance business	18	3,661.70	–
ii) Other investments	19	34.94	344.38
d) Assets held to cover linked liability of Life Insurance Business	20	2,376.75	–
e) Long-term loans and advances	21	105.59	64.07
f) Other non-current assets	22	1.51	1.10
		7,918.54	**1,541.18**
2) **CURRENT ASSETS**			
a) Current investments			
i) Investments of Life insurance business	23	140.42	–
ii) Other investments	24	184.26	649.07
b) Assets held to cover linked liability of Life Insurance Business	25	431.88	–
c) Inventories	26	1,407.39	1,157.59
d) Trade receivables	27	591.81	426.05
e) Cash and bank balances	28	220.51	62.79
f) Short-term loans and advances	29	63.17	85.67
g) Other current assets	30	350.73	0.21
		3,390.17	**2,381.38**
TOTAL		**11,308.71**	**3,922.56**
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

S R B C & CO LLP
Firm Registration Number: 324982E
Chartered Accountants

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

For and on behalf of the Board of Directors

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Note No.	2012-13 (Rs. In Crores)	2011-12 (Rs. In Crores)
INCOME :			
I) **Revenue from operations (Gross)**	31	7,159.47	5,879.29
Less : Excise Duty		793.58	563.64
Revenue from operations (Net)		6,365.89	5,315.65
II) **Other income**	32	56.05	41.46
III) **Total Revenue**		**6,421.94**	**5,357.11**
IV) **EXPENSES :**			
Cost of raw materials and components consumed	33	4,208.69	3,464.86
Purchase of traded goods		74.03	49.84
Increase in inventories of finished goods, work-in - progress and traded goods	34	(200.30)	(56.88)
Employee benefit expenses	35	403.17	330.38
Finance costs	36	9.06	14.91
Depreciation and amortisation expenses	37	122.00	108.37
Other expenses	38	1,024.41	783.00
Charnge in valuation of liability in respect of Life Insurance Policies in force	40	3.75	–
Total expenses		**5,644.82**	**4,694.48**
V) **Profit before tax**		**777.13**	**662.63**
VI) Tax expenses :			
1. Current tax (Net of excess provision of earlier years reversed Rs 6.58 crs. (PY Rs 4.37 Crs))		220.61	182.04
2. Deferred tax (including charge for earlier years Rs 4.22 Crs (PY nil))		16.52	15.90
		237.13	**197.94**
VII) **Profit for the Year**		**540.00**	**464.69**
VIII) Share of Profit/(Loss) of Associate Company		11.22	(15.58)
IX) Less : Minoirty Interest		1.87	3.05
X) Net profit after taxes, minority interest and share of profit/(loss) of Associate company		**549.35**	**446.06**
Earnings per share - Basic and Diluted (Nominal value Re 1 per share)		6.46	5.25
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

S R B C & CO LLP
Firm Registration Number: 324982E
Chartered Accountants

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

For and on behalf of the Board of Directors

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

		2012-2013		2011-2012	
		(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)
(A)	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Net Profit before tax		777.13		662.63
	Adjustment for :				
	Depreciation	122.00		108.37	
	Profit on Fixed Assets sold	(0.07)		(0.46)	
	Loss on Fixed Assets sold / discarded	0.53		0.65	
	Dividend Income	(48.13)		(34.23)	
	Interest Expense	9.06		14.91	
	Interest Income	(1.55)		(0.54)	
	Loss on revaluation/change in fair value	(0.04)		–	
	Loss on sale of investments	(5.21)		–	
	Change in valuation of liability against life policies	(3.28)		–	
			79.87		88.70
	Operating profit before working capital changes		857.00		751.33
	Increase in Trade Receivables (net of provision)	(106.14)		(53.40)	
	Increase in Inventories	(249.44)		(26.73)	
	(Increase) / Decrease in Loans & Advances	28.59		8.57	
	Increase in Current Liabilities	78.77	(248.22)	122.86	51.30
	Cash generation from operations		608.78		802.63
	Direct Taxes Paid (net of refund)		(209.57)		(200.29)
	Net Cash from operating activities		399.21		602.34
(B)	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Fixed Assets	(172.20)		(210.45)	
	Sale of Fixed Assets	1.30		1.03	
	Acquisition of Business	(7.94)		(17.33)	
	Cash acquired through business acquisition	126.58		–	
	Acquisition of Shares	(552.85)		(1.80)	
	Purchase of Mutual Fund units	(1,935.58)		(2,062.00)	
	Sale of Mutual Fund units	2,389.23		1,917.00	
	Investment with Bank	1.00		(1.00)	
	Interest Received	9.43		0.50	
	Dividend received	51.44		34.36	
	Net Cash used in investing activities		(89.59)		(339.69)
(C)	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Repayment of Long Term Borrowings	(5.05)		(3.08)	
	Net increase/(decrease) in other borrowings	24.09		(68.40)	
	Buyback of Shares	(2.54)		–	
	Dividends Paid (including tax)	(162.11)		(143.26)	
	Interest Paid	(9.58)		(14.63)	
	Net Cash used in financing activities		(155.19)		(229.37)
	Net Increase/(decrease) in cash and cash equivalents		154.43		33.28
	Effect of Foreign Currency Translation		3.29		6.68
	Cash and cash equivalents - Opening Balance #		62.79		22.83
	Cash and cash equivalents - Closing Balance #		220.51*		62.79

as disclosed in Note 28

* Includes Rs. 4.40 crs (PY Rs.3.54 crs) lying in Unclaimed Dividend Account , being the amount available for restricted use.

As per our report of even date.

S R B C & CO LLP
Firm Registration Number: 324982E
Chartered Accountants

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

For and on behalf of the Board of Directors

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31ST MARCH 2013

1. Significant Accounting Policies

a. Basis of Preparation

The consolidated financial statements comprising of the financial statements of Exide Industries Limited ('EIL' or 'the Company') and its subsidiaries (Group) have been prepared under the Historical Cost Convention modified by revaluation of certain fixed assets and except for investments under Life Insurance Company, that have been valued in accordance with Insurance Regulatory and Development Authority (IRDA) regulations. The consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. Standalone financial statements of ING Vysya Life Insurance Company Limited (IVL) have been prepared in accordance with the provisions of the IRDA(Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Accounting Regulations'), the Insurance Act, 1938, Insurance Regulatory and Development Authority Act 1999, various circulars issued by IRDA and the practices prevailing within the Insurance Industry in India. Financial statements of foreign subsidiaries Chloride Batteries S.E. Asia Pte Ltd. (CBSEA), Espex Batteries Limited (ESPEX) and Associated Battery Manufacturers (Ceylon) Ltd. (ABML) have been prepared under 'Singapore Financial Reporting Standards' , 'Financial Reporting Standards for smaller entities, UK', and Srilanka Accounting Standards for Small and Medium sized entities (SLFRS for SMEs) respectively but suitably modified to materially conform to the uniform accounting policies for the purpose of consolidation. For recognition of Income and expenses, Mercantile System of Accounting is followed.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

Sale of Goods

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

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

Interest

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

Dividends

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

d. Fixed Assets

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

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

e. Investments

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

f. Depreciation

i) The classification of plant & machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

ii) a) Depreciation is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 except for certain assets of EIL, IVL and the entire assets of foreign subsidiaries (CBSEA , ESPEX and ABML) , where depreciation is provided with reference to the useful economic lives of the respective assets. Further, in respect of certain assets at EIL whose residual economic life, as determined by the approved valuer, is less than the residual life as per the books, depreciation is provided at the adjusted higher rates so that the value thereof is written off over the economic life determined by the valuer.

b) Based upon their respective useful economic life, depreciation on the following assets is provided at a rate higher than those specified in schedule- XIV of the Companies Act 1956:

a.	**Class of assets**	**Useful economic Life**	**Rate of Depreciation**
	Air conditioners, Refrigerators, Washing Machines, Water Coolers, Televisions (included in Furniture & Fittings)	6	15.83%
	Motor Vehicles	6	15.83%
	Computer Hardware	4	24.50%
	Weighing Scales, & Transformers	15	6.53%
	Pallet Trucks	10	9.80%

b.	At ABML, the useful life of the assets is estimated as follows :	
	Building	30 years
	Plant & Machinery	10 years
	Motor Vehicles	04 years
	Furniture, Fitttings, Office Equipment and Tools & Moulds	05 years

c. At CBSEA, the useful life of the assets is estimated as follows :

Plant & Machinery	10 years
Motor Vehicles	05 years
Furniture, Fitttings, Office Equipment	03 to 10 years

d. At ESPEX, the useful life of the assets is estimated as follows :

Plant & Machinery	10 years , 5 years & 3 years
Motor Vehicles	04 years

e. At IVL, useful life of the assets are estimated as follows:

Information technology assets	
-Personal computers	3 years
-Mainframe/mini computers	4 years
-Peripheral equipment, local area network	5 years
-Intangibles (includes software)	Period of license/estimated useful life, not exceeding 3 years
Furniture and fittings	5 years
Office equipment	5 years
Mobile phones	2 years
Vehicles	4 years
Leasehold improvements	Period of lease/useful life, not exceeding 10 years

c) EIL has estimated the residual value of Plant & Machinery, moulds and computers to be 2% of the cost as against 5% specified in Section 205 (2)(c) of the Companies Act, 1956. Accordingly, 98% of the value of fixed assets is being depreciated in the accounts.

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

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

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

g. Intangible Assets

Research and Development Costs

i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalised when its future recoverability can reasonably be regarded as assured. Any expenditure capitalised is amortised over the period of expected future sales from the related project, not exceeding ten years.
The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

ii) Acquired computer software and licenses are capitalised on the basis of costs incurred to bring the specific intangibles to its intended use. These cost are amortized on a straight-line pro-rata basis over their estimated useful life of five years.

iii) Acquired Goodwill/ Trademark is amortised on a straight line pro-rata basis over a period of five years and also tested for impairment every year. However, the carrying amount of goodwill arising on consolidation is reviewed at each balance sheet date to determine if there is any indication of impairment based on external / internal factors.

h. Expenditure on new projects and substantial expansion

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

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

i. Borrowing Costs

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

j. Leases :

i) Finance lease :

a) Assets acquired under finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased items, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

b) A leased asset is depreciated on a straight line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act , 1956, whichever is lower . However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in the Schedule XIV to the Companies Act, 1956.

ii) Operating leases :

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

b) Assets given under operating leases are included in fixed assets. Lease income is recognized in the statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of Profit and Loss.

k. Foreign Currency Transactions

(i) **Initial Recognition**
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

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

(iii) Exchange Differences

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

(iv) Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

(v) Translation of Non-Integral Foreign Currency Operations

The translation of the financial statements of a non-integral foreign operation results in the recognition of exchange differences arising from(a) translating income and expense items at the exchange rates at the dates of transactions and assets and liabilities at the closing rate (b) translating the opening net investment in the non-integral foreign operation at an exchange rate different from that at which it was previously valued.

All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

l. Earning per share

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

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

m. Inventories

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

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

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

n. Excise Duty / Service tax

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

Service Tax liability on life insurance services is offset against available CENVAT credit. The unutilised CENVAT credit, if any, is carried forward under 'Advances and Other Assets'. At each balance sheet date,IVL assesses the unutilised CENVAT Credit for set off in future periods. A provision, if required, is created based on estimated realization of such unutilised CENVAT credit.

o. Retirement and other employee benefits

i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective trusts.

CBSEA participates in the national pension schemes as defined by the laws of Singapore and makes contributions to the Central Provident fund scheme in Singapore.

ii) Gratuity and Post retirement Medical Benefit liability are defined benefit obligations and where material, are provided for on the basis of an actuarial valuation made at the end of each financial year.

iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year , while Short term compensated absences are provided for based on management estimates.

iv) Payments made under the Voluntary Retirement Scheme are charged to the statement of Profit and Loss.

v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in note no. ' 42 ' below. The contributions towards defined contribution are charged to the statement of Profit and Loss of the year when the contribution becomes due. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.

vi) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

vii) The current and non-current bifurcation is done as per Actuarial report.

p. Segment reporting

The Group's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which customers of the Group are located.

q. Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Laws as applicable. In case of foreign subsidiaries/associates the tax liability is provided as per the Income Tax Laws prevailing in the respective countries.

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

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred Tax Assets and Liabilities across various countries of operations are not set-off against each other as EIL does not have a legal right to do so.

r. Provision

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

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

s. Contingent Liabilities

No provision is made for liabilities, which are contingent in nature, but if material, these are disclosed by way of notes.

t. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u. Other additional significant accounting policies specific to Life Insurance business.

i) **Revenue Recognition**

Premium is recognised as income when due. Premium on lapsed policies is recognised as income when such policies are reinstated.

For linked business, Premium income is recognised as income when the associated units are created. Income from unit linked funds which include policy administration charges, mortality charges, etc. are recovered from unit linked fund in accordance with terms and conditions of policy and is recognised when due. Fund management charges are adjusted in the unit price computed on each business date.

Reinsurance premium

Cost of reinsurance ceded is accounted at the time of recognition of premium income in accordance with the treaty or in principle arrangement/agreement with the reinsurers. Profit share commission on reinsurance ceded is netted off against commission.

ii) **Benefits paid**

Benefits paid comprise policy benefit amount and bonus declared to policyholders.

Death & Surrender claims are accounted for on receipt of intimation based on the terms of policy. Maturity benefits, Survival benefits and declared bonuses are accounted for on the respective due dates. Withdrawals and benefits under linked policies are accounted in the respective schemes when the associated units are cancelled.

Repudiated claims disputed before judicial authorities are provided for based on management prudence and considering the fact and evidences available in respect of such claims. Reinsurance recoveries on claims are accounted for, in the same period as the related claims.

iii) **Acquisition & Maintenance costs**

Acquisition & Maintenance costs are cost that vary with and are primarily related to the acquisition of new and renewal insurance contracts respectively. Such costs are expensed in the year in which they are incurred.

iv) **Investments and investment income**

Investments are made in accordance with the Insurance Act, 1938 and the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 and Insurance Regulatory and Development Authority (Investment) (Amendment) Regulations, 2008 and other circulars/notifications issued by the IRDA in this context from time to time.

Investments are specifically purchased and held for the policyholders and shareholders independently. The income relating to these investments is recognized in the respective policyholders'/shareholders' account.

Investments are recorded at trade date on cost including acquisition charges (such as brokerage and related taxes), and exclude pre-acquisition interest paid, if any, on purchase.

Interest income on investments is recognised on accrual basis. Dividend income is recognised when the right to receive the dividend is established. Bonus entitlements are recognised as investments on the 'ex- bonus date'.

Non-linked policyholders' and shareholders' investments

All debt securities are considered as held to maturity and stated at historical cost subject to amortisation. The discount or premium which is the difference between the purchase price and the redemption amount of the securities is amortised/accreted and recognised in the Statement of profit and loss, as the case may be, over the remaining period of maturity on a straight line basis.

The difference between the acquisition price and maturity value of money market instruments such as Treasury Bills, Certificate of Deposit and Commercial Papers are recognised as interest income in the Statement of profit and loss, as the case may be, over the remaining term of these instruments, on a straight line basis.

Listed shares as at the balance sheet date are stated at fair value being the lower of last quoted closing price on the National Stock Exchange Limited ('NSE') and / or Bombay Stock Exchange Limited ('BSE'). Mutual fund units as at the balance sheet date are valued at previous day's net asset values of respective mutual fund.

Realised gain/loss on debt securities is the difference between the sale consideration net of expenses and the amortised cost, which is computed on a weighted average basis, as on the date of sale. Profit or loss on sale of equity shares/mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis.

Unrealised gains or losses arising due to changes in the fair value of listed shares and mutual fund units as at the balance sheet date are taken to 'Fair value change account' and carried forward in the balance sheet.

Impairment evaluation is a complex process that inherently involves significant judgments and uncertainty that may have a material impact on the financial statements. For debts securities, such consideration includes actual and estimated incurred credit losses indicated by payment default, market data (estimated) incurred losses and other current evidence that the issuer may be unlikely to pay amounts when due. Equity securities are impaired when the management believes that, based on (combination of) a significant or prolonged decline of fair value below the acquisition cost, there is sufficient reason to believe that the acquisition cost may not be recovered. An impairment loss shall be recognised as an expense in revenue / profit & loss accounts to the extent of the difference between the re-measured fair value of the security / investment and acquisition cost (weighted average) as reduced by any previous impairment loss recognised as expense in the revenue / profit & loss account.

Linked business

Debt securities (including Government securities) are valued at prices obtained from Credit Rating Information Services of India Limited ('CRISIL').

Listed equity shares are valued at fair value, being the lower of last quoted closing price on the National Stock Exchange Limited ('NSE') and / or Bombay Stock Exchange Limited ('BSE'). Mutual fund units as at the balance sheet date are valued at previous day's net asset values of respective mutual fund.

Money market instruments are valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a straight-line basis.

The realized gain or loss on the sale of securities is the difference between the sale consideration net of expenses and the purchase cost or book cost for discounted instruments (computed on a weighted average basis) as on the date of sale.

Realised Profit or loss on sale of equity shares/mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis.

Unrealized gains and losses as at the balance sheet date are recognised in the Statement of profit and loss of the respective schemes.

v) **Actuarial Liability Valuation**

The estimation of liability for life policies is determined by the Appointed Actuary in accordance with accepted actuarial practice, requirements of Insurance Act 1938, IRDA regulations and the actuarial practice standards issued by The Institute of Actuaries of India.

vi) **Fund for Future Appropriation**

Linked business

Amounts estimated by Appointed Actuary as Funds for Future Appropriation – Linked are required to be set aside in the balance sheet and are not available for distribution to shareholders until the expiry of the revival period. IVL appropriates Funds for Future Appropriation from the Revenue Account.

Participating business

At each balance sheet date, the management with the approval of the shareholders decides to distribute the surplus among policyholders, shareholders and funds for appropriation at a future date. Surplus arising in the participating business after allowing for current year cost of bonus to policyholder is held as funds for future appropriation, which includes the surplus not appropriated during the year either to the policyholders or to the shareholders.

vii) **Loans against policies**

Loans are stated at historical costs subject to provision for impairment. Interest on loans, if any, is recognized on an accrual basis.

v Principles of consolidation of financial statements:

The consolidated financial statements which relate to Exide Industries Ltd. (EIL) and its subsidiary companies, have been prepared on the following basis –

i. The financial statements of the company and its subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/ loss included therein.

ii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the company's separate financial statements. All the subsidiaries and associate follows financial year as accounting year.

iii. The excess / shortfall of cost to the company of its investments in the subsidiary companies is recognized in the financial statements as goodwill / capital reserve, as the case may be.

iv. During the year, EIL has acquired the remaining 50% shares of ING Vysya Life Insurance Company Limited (IVL) from the other shareholders, after obtaining necessary approvals from Competition Commission of India (CCI) and Insurance Regulatory and Development Authority (IRDA), at a consideration of Rs. 549.33 crs. Consequent to such acquisition of shares, IVL has now become a wholly owned subsidiary of EIL and accordingly, goodwill of Rs. 535.13 crs has arisen on consolidation. Line by line consolidation of IVL for the period 22nd March - 31st March 2013, has been done by taking proportionate numbers from the full year audited financials of IVL.

The effect of the acquisition of the subsidiary on the consolidated financial position is as follows:

Particulars	**As at 31st March 2013 (Rs in crs)**
I. EQUITY AND LIABILITIES	
SHAREHOLDERS' FUND	0.65
NON-CURRENT LIABILITIES	6,260.46
CURRENT LIABILITIES	620.68
	6,881.79
II. ASSETS	
NON CURRENT ASSETS	5,760.11
CURRENT ASSETS	1,121.68
	6,881.79
Total revenue from operations and other income considered in the consolidated financial statements	**53.44**
Profit considered in the consolidated financial statements	**0.63**

v. During the year, Espex Batteries Limited(ESPEX) has bought back its own shares from minority shareholders and consequently it has become 100% subsidiary of EIL.

vi. The subsidiary companies considered in the financial statements are as follows :

Name	Country of Incorporation	% of ownership interest as on March 31, 2013	% of ownership interest as on March 31, 2012
Chloride International Limited (CIL)	India	100	100
Chloride Power Systems & Solutions Ltd. (CPSSL) (Formerly Caldyne Automatics Ltd.)	India	100	100
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100	100
Espex Batteries Limited (ESPEX) (wholly owned subsidiary wef 1st April'12)	UK	100	51
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	Srilanka	61.50	61.50
Chloride Metals Ltd. (CML) (Formerly Tandon Metals Ltd.)	India	100	100
Chloride Alloys India Ltd. (CAIL) (Formerly Leadage Alloys India Ltd.)	India	100	100
ING Vysya Life Insurance Company Limited (IVL) (wef 22nd March'13)	India	100	Refer note x iii

vii. Foreign Exchange fluctuations on conversion of the accounts of EIL's foreign subsidiaries have been taken to "Foreign Currency Translation Reserve" (Arising on Consolidation).

w Minority Interest

In terms of Accounting Standard 21, the minority interest has been computed in respect of Associated Battery Manufacturers (Ceylon) Limited, a non-fully owned subsidiary.

x Investments in Associates

Accounting Standard – 23 – "Accounting for investments in Associates in Consolidated Financial Statements" notified by the Companies Accounting Standard Rules, 2006 has been followed by the group as below –

i. An associate company is a company, not being a subsidiary, in which EIL holds, directly or indirectly through subsidiaries, 20% or more of the voting power of the investee and hence, has significant influence.

ii. The investments in associates are accounted for under the 'Equity Method'.

iii. Till 21st March 2013, EIL had 50% voting shares in IVL, which has been treated as an associate company for the purpose of consolidation.

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31ST MARCH 2013

PARTICULARS	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
2. SHARE CAPITAL		
a) Authorised		
1,000,000,000 (PY: 1,000,000,000) Equity Shares of Re. 1 each	100.00	100.00
	100.00	**100.00**
b) Issued, Subscribed & fully paid-up		
850,000,000 (PY: 850,000,000) Equity Shares of Re. 1 each	85.00	85.00
	85.00	**85.00**

There is no change in number of shares in current year and last year

c) Terms / rights attached to equity shares

The company has only one class of Equity Shares having a Par Value of Re 1 per share. Each Holder of Equity Shares is entitled to one Vote per share. The company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of Liquidation of the Company , the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders .

During the year ended 31st March 2013, the amount of per share Dividend recognised as distributions to equity shareholders was Rs 1.60 per share (PY Rs 1.50 per share)

d) Details of shareholders holding more than 5% shares in Company Name of Shareholder	March 31, 2013 Number of Shares	March 31, 2012 Number of Shares
Chloride Eastern Limited, UK holding 45.99 % (PY:45.99 %)	390,954,666	390,954,666
Life Insurance Corporation of India holding 5.82 % (PY 4.69 %)	49,432,813	39,881,120

As per records of the company , including its register of shareholders / members and other declarations received from shareholders,the above shareholding represents legal ownership of shares.

3. RESERVES AND SURPLUS		
a) Revaluation Reserve		
Balance as per Last Account	42.22	44.51
Less: Adjusted towards assets sold / discarded	0.25	0.12
Less: Transfer to Depreciation Account	1.60	2.17
Closing Balance	**40.37**	**42.22**
b) Securities Premium Account		
Balance as per Last Account	737.88	737.88
c) General Reserve		
Balance as per Last Account	996.15	943.95
Add: Amount transferred from Statement of Profit and Loss	58.50	52.20
Closing Balance	**1,054.65**	**996.15**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
d) Contingency Reserve *		
Balance as per Last Account	25.00	–
Add: Created during the year	–	25.00
Closing Balance	**25.00**	**25.00**
e) Capital Redemption Reserve **		
Created during the year	**0.80**	**–**
f) Credit/(debit) Fair value Change Account	**0.02**	**–**
g) Capital Reserve		
Balance as per Last Account	5.35	5.35
Less : Amount transferred to Statement of Profit and Loss	2.46	–
Closing Balance	**2.89**	**5.35**
h) Foreign Currency Translation Reserve		
Balance as per Last Account	17.37	10.70
Add : Movement for the year	3.29	6.67
Closing Balance	**20.66**	**17.37**
i) Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	778.36	557.68
Profit for the year	549.35	446.06
Add : Amount transferred from Capital Reserve	2.46	–
Less : Appropriations		
Proposed final equity dividend		
(amount per share Re 0.60 (PY Re 0.60))	(51.00)	(51.00)
Tax on proposed equity dividend	(5.75)	(8.03)
Interim dividend (amount per share Re 1.00 (PY Re 0.90))	(85.00)	(76.50)
Tax on interim dividend	(16.70)	(12.65)
Transfer to General reserve	(58.50)	(52.20)
Transfer to Contingency reserve	–	(25.00)
Transfer to Capital redemption reserve	(0.80)	–
Total Appropriations	**(217.75)**	**(225.38)**
Net Surplus in Statement of Profit and Loss	**1,112.42**	**778.36**
	2,994.69	**2,602.33**

* EIL has created the contingency reserve to set aside funds for meeting contingencies and claims.

** ESPEX has created the Capital redemption reserve on account of buy back of its shares from minority shareholders.

4. MINORITY INTEREST

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
Balance of equity as on acquisition date	4.61	4.61
Less : Adjustment on buy back of shares from minority shareholders in ESPEX	0.86	–
	3.75	4.61
Add : Movement in equity from acquisition date to 31.03.2013	7.41	7.89
	11.16	**12.50**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
5 LONG TERM BORROWINGS		
a) NON-CURRENT PORTION		
Deferred Payment Liabilities from Sales Tax Deferral Scheme (unsecured)*	2.38	2.58
	2.38	**2.58**
b) CURRENT MATURITIES		
Term loan from banks	–	4.97
Deferred Payment Liabilities from Sales Tax Deferral Scheme (unsecured)*	0.21	0.09
	0.21	5.06
Less : Amount disclosed under the head "other current liabilities" (note 12)	0.21	5.06
	–	**–**

* Liability under Sales Tax Deferral Scheme is payable in 5 equal yearly instalments after 10 years of accrual and carrying no interest.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
6 DEFERRED TAX LIABILITY (NET)		
a) Deferred tax liability :		
Arising out of timing difference in depreciable assets	97.52	87.10
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	22.23	16.50
b) Deferred tax assets:		
On expenses allowable against taxable income in future years	8.89	5.97
Expenses disallowed in earlier assessments which are being contested	7.20	10.76
	103.66	**86.87**

In view of the accumulated losses and unabsorbed depreciation, IVL has not created any provision for current income tax expense. As per Accounting Standard 22 on 'Accounting for Taxes on Income' as prescribed in the Companies (Accounting Standards) Rules, 2006, virtual certainty backed by conclusive evidence is necessary to create Deferred Tax Assets on un-absorbed losses and depreciation. Under the above circumstances, no deferred tax assets on losses have been created in the books of IVL

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
7 OTHER LONG TERM LIABILITIES		
a) Trade payables	3.68	3.04
b) Others - For Expenses	3.68	1.35
	7.36	**4.39**

Trade payables represent retention money withheld and which are payable after more than 12 months from the Balance Sheet date.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
8 LONG TERM PROVISIONS		
Provision for employee benefits (refer note 42)		
Post retirement medical benefits	3.35	3.33
Gratuity	4.99	2.55
Leave benefits	17.27	13.40
Pension	1.13	-
	26.74	**19.28**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
9 POLICYHOLDERS' FUND		
Non-current		
Policy liabilities		
Par	1,923.18	-
Non par	456.61	-
Annuity	9.19	-
Pension	1,062.51	-
Credit/(debit) balance in fair value change account (net)	(9.48)	-
Provision for linked liabilities	2,622.96	-
Fair value change (linked)	160.87	-
Non-unit liabilities	11.97	-
	6,237.81	**-**
10 SHORT TERM BORROWINGS		
SECURED		
a) From Banks		
Overdraft	48.61	24.52
(Secured by exclusive first charge by way of hypothecation of current assets and exclusive first charges on all moveable and immoveable fixed assets of CAIL. It includes working capital demand loan Rs 48 crores carrying interest @ 10.2% repayable as bullet payment on maturity date]		
	48.61	24.52
11 TRADE PAYABLES		
Trade payable for goods & services (refer note no 50)	883.63	615.28
Acceptances	111.76	74.54
	995.39	**689.82**
12 OTHER CURRENT LIABILITIES		
a) Current maturities of long-term debts	0.21	5.06
b) Interest accrued on borrowings :		
Not due	0.18	0.02
c) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	4.40	3.56
d) Other payables -		
For Capital Goods	20.54	11.95
Taxes and duties payable	61.92	54.04
Advances from customers	16.99	20.90
For selling Expenses	114.83	89.75
For Other Expenses	172.41	56.37
	391.48	**241.65**
13 SHORT-TERM PROVISIONS		
a) Provision for employee benefits (refer note 42)		
Post retirement medical benefits	0.26	0.18
Gratuity	1.01	1.00
Leave benefits	4.16	2.00
b) Other provisions		
Warranty Claims	118.88	89.51
Income Tax (net of advance Tax)	2.18	1.66
Proposed dividend	51.00	51.00
Tax on proposed dividend	5.75	8.27
	183.24	**153.62**

Provisions for warranty claims

A provision is recognised for expected warranty claims on batteries sold , based on past experience of the level of repairs and returns. Assumptions used to calculate the provision for warranty were based on sales and current information available about returns based on warranty period for all products sold. The table below gives information about movement in warranty provision :

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
Opening Balance	89.51	66.22
Add : Provision created during the year	173.24	133.35
Less : Product related warranties during the year	143.97	110.24
Effect of Foreign Exchange Movements	0.10	0.18
Closing Balance	**118.88**	**89.51**

14 POLICYHOLDERS' FUND

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
Current		
Policy liabilities		
Par	168.42	-
Non par	18.03	-
Pension	0.20	-
Provision for linked liabilities	14.91	-
	201.56	**-**

15. TANGIBLE ASSETS

(Rs. In Crores)

	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Furniture & fittings	Vehicles	Computers	Total
Cost									
As at 1st April 2011	38.79	20.15	274.33	1,177.77	122.65	18.68	6.00	22.64	1,681.01
Additions	2.97	-	22.76	186.67	15.39	1.20	1.23	1.01	231.23
Acquisition through Purchase of business (refer note 16(a)	0.32	-	2.36	1.90	-	0.34	-	0.07	4.99
Disposals -	-	-	0.27	12.75	3.16	0.21	0.82	2.03	19.24
As at 31st March 2012	**42.08**	**20.15**	**299.18**	**1,353.59**	**134.88**	**20.01**	**6.41**	**21.69**	**1,897.99**
Additions	0.15	11.26	10.20	97.16	17.28	1.42	0.29	3.10	140.86
Addition on acquisition of a Subsidiary (refer note no. 1(v)(iv)	-	-	44.56	-	-	21.55	7.34	24.08	97.53
Acquisition through Purchase of business (refer note 16(a))	-	2.90	2.83	0.20	-	0.05	-	-	5.98
Disposals	-	-	0.09	11.73	5.99	0.37	0.27	2.16	20.61
As at 31st March 2013	**42.23**	**34.31**	**356.68 (b)**	**1,439.22**	**146.17**	**42.66**	**13.77**	**46.71**	**2,121.75**
Depreciation									
As at 1st April 2011	-	2.92	66.42	590.70	68.74	12.19	3.13	16.94	761.04
Charge for the year	-	0.25	8.54	85.69	10.31	1.36	0.99	2.52	109.66
Disposals	-	-	0.19	12.03	3.08	0.22	0.76	1.98	18.26
As at 31st March 2012	**-**	**3.17**	**74.77**	**664.36**	**75.97**	**13.33**	**3.36**	**17.48**	**852.44**
Addition on acquisition of a Subsidiary (refer note no. 1(v)(iv)	-	-	41.71	-	-	20.75	7.20	22.71	92.37
Charge for the year	-	0.28	9.02	95.62	11.26	1.40	1.02	1.78	120.38
Disposals	-	-	0.06	10.59	5.84	0.34	0.26	2.11	19.20
As at 31st March 2013	**-**	**3.45**	**125.44**	**749.39**	**81.39**	**35.14**	**11.32**	**39.86**	**1,045.99**
Net Block									
As at 31st March 2012	42.08	16.98	224.41	689.23	58.91	6.68	3.05	4.21	1,045.55
As at 31st March 2013	42.23	30.86	231.24 (e)	689.83	64.78	7.52	2.45	6.85	1,075.76

a. Conveyance deeds for certain immovable properties valued at Rs 3.77 crs (PY Rs 3.77 crs) are pending execution.

b. Includes Rs 0.10 crs (PY Rs 0.10 crs) being the cost of shares in Co-operative Housing Societies.

c. The details of fixed assets revalued have been given below :

Name of the Company	Year of Revaluation	Assets revalued
EIL	1991 and 1999	Land, Builiding and Plant & Machinery
CPSSL	2006	Land, Builiding and Plant & Machinery
CAIL	2008	Land, Builiding and Plant & Machinery
CBSEA	1992	Land, Builiding and Plant & Machinery
ABML	1990/1991	Land and Builiding
CML	2008	Land, Builiding and Plant & Machinery

The revaluation was carried out by approved valuers and the surplus arising thereon, has been transferred to Revaluation Reserve. As in the previous years, additional depreciation for the year on revalued assets has been appropriated from the Revaluation Reserve.

d. Furniture & fittings above include office equipments.

e. Includes leasehold buildings Rs 4.56 crs. (PY Rs 4.93 crs.) and leasehold improvement Rs 2.81 crs (PY nil)

f. Includes motor vehicles held under hire purchase contract Rs 0.48 crs. (PY Rs 0.59 crs.)

16. INTANGIBLE ASSETS

Rs. in Crores

	Goodwill	Trade Mark	Computer Software	Total
Cost				
As at 1st April 2011	1.00	-	1.07	2.07
Additions	-	-	0.91	0.91
Acquisition through Purchase of business (a)	11.10	-	-	11.10
Disposals	-	-	0.03	0.03
As at 31st March 2012	12.10	-	1.95	14.05
Additions	-	-	6.56	6.56
Addition on acquisition of a Subsidiary (Refer note no. 1(v)(iv)]	-	-	22.62	22.62
Acquisition through Purchase of business (a)	0.03	1.57	-	1.60
Disposals	-	-	-	-
As at 31st March 2013	12.13	1.57	31.13	44.83
Amortisation				
As at 1st April 2011	1.00	-	0.19	1.19
Charge for the year	0.56	-	0.32	0.88
As at 31st March 2012	1.56	-	0.51	2.07
Addition on acquisition of a Subsidiary (Refer note no. 1(v)(iv)]	-	-	19.92	19.92
Charge for the year	2.22	0.16	0.84	3.22
As at 31st March 2013	3.78	0.16	21.17	25.21
Net Block				
As at 31st March 2012	10.54	-	1.44	11.98
As at 31st March 2013	8.35	1.41	9.86	19.62

a. During the year, the company has acquired a Home UPS System business on a slump sale basis at a cash consideration of Rs 7.94 Crores (PY Rs 17.23 Crores).The assets acquired have been accounted for on a Fair Value basis and the remaining amount of Rs 0.03 Crores (PY Rs 11.10 Crores) has been recognised as Goodwill on such acquisition.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
17 GOODWILL ON CONSOLIDATION		
Balance as per Last Account	46.71	46.71
Add : On consolidation of IVL (Refer note no. 1(v)(iv))	535.13	-
Add : On ESPEX becoming a wholly owned subsidiary (Refer note no. 1(v)(v))	0.06	-
Closing Balance	**581.90**	**46.71**
Based on the share valuation of IVL and the profitable operations of all subsidiaries, the company has concluded that there is no impairment of Goodwill arising on consolidation		
Non- current Investments		
18 INVESTMENTS OF LIFE INSURANCE BUSINESS		
i) Shareholders' Investments		
Quoted (Trade)		
Investment in		
Government or Trust Securities	171.32	-
Debentures/Bonds	16.84	-
Mutual funds	60.50	-
	248.66	**-**
ii) Policyholders' Investments		
Quoted (Trade)		
Investment in		
Equity instruments	149.79	-
Government or Trust Securities	1,702.58	-
Debentures/Bonds	1,560.67	-
	3,413.04	**-**
	3,661.70	-
Aggregate value of quoted investments (Market value Rs 3,713.46 Crs)	**3,661.70**	**-**
19 OTHER INVESTMENTS (VALUED AT COST UNLESS STATED OTHERWISE)		
Trade (unquoted)		
GOVERNMENT SECURITIES		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
Non Trade		
UNQUOTED, AT COST		
Investments in debenture/bonds	- ^	-
ING Vysya Life Insurance Company Limited (CY nil (PY 732,441,500 shares of Rs 10 each)) (Refer note no. 1(v)(iv))	-	744.43
Less : Post Acquisition loss	-	432.07
	-	312.36
OTHERS		
Faering Capital (76,901 units of Rs. 1000 each (PY 48,000 units))	7.69	4.80
"Haldia Integrated Development Agency Ltd (500,000 units of Rs. 10 each (PY 500,000 units))"	0.50	0.50
Brown Group Motels Ltd. (20,000 shares of Srilanka Rupees 10 each (PY 20,000 shares))	0.01	0.01
Investment in Property	0.51	0.48
QUOTED		
EQUITY SHARES, FULLY PAID UP		
Hathway Cable and Datacom Limited (1,092,566 shares of Rs. 10 each (PY 1,092,566))	26.22	26.22
	34.94	**344.38**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
(i) Aggregate value of unquoted investments	8.72	318.16
(ii) Aggregate value of quoted investments (Market value Rs 29.42 Cr (PY Rs 17.99 Cr))	26.22	26.22
(iii) Diminution, based on the net worth as per the latest audited accounts of the relevant company, in the value of certain long term unquoted investments as on the Balance Sheet date, being temporary in nature, has not been provided for.		
(iv) ^ Figures being less than Rs 50,000 in each case, has not been disclosed.		
20 ASSETS HELD TO COVER LINKED LIABILITY OF LIFE INSURANCE BUSINESS		
Non-current, quoted, trade investments in		
Equity Instruments	1,715.42	-
Government or Trust Securities	234.55	-
Debentures/Bonds	426.78	-
	2,376.75	**-**
Aggregate value of quoted investments (Market value Rs 2,376.75 Crs)	**2,376.75**	**-**
21 LONG-TERM LOANS AND ADVANCES		
i) Unsecured considered good, unless otherwise stated		
a) Capital advances	5.33	5.22
b) Advances recoverable in cash or kind	2.31	0.46
c) Deposit - Others	28.87	9.68
d) Prepaid expenses	1.71	2.54
e) Advance Payment of Income Tax (net of Provisions)	37.10	47.39
f) Loans against Insurance Policy(secured)	29.69	-
g) Balances with Customs,Sales Tax & Excise Authorities	0.18	-
h) Loans and advances to others	0.01	0.01
i) Loans to employees	0.38	0.50
ii) Unsecured considered doubtful		
a) Advances recoverable in cash or kind	5.04	1.78
b) Balances with Customs,Sales Tax & Excise Authorities	1.93	1.93
c) Deposit - Others	0.10	0.10
	112.65	69.61
Less : Provision for doubtful deposits and advances	7.06	5.54
	105.59	**64.07**
22 OTHER NON-CURRENT ASSETS		
Unsecured considered good, unless otherwise stated		
a) Trade Receivables	1.45	0.89
b) Others	0.06	0.21
	1.51	**1.10**

Trade receivables represents portion of Receivables which are recoverable after more than 12 months from the Balance Sheet date.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
CURRENT ASSETS		
Current Investments		
23 INVESTMENTS OF LIFE INSURANCE BUSINESS		
i) Shareholders' Investments		
Quoted (Trade)		
Investment in		
Government or Trust Securities	0.13	-
Debentures/Bonds	5.00	-
Mutual Fund	10.35	-
Certificate of deposits	39.29	-
	54.77	**-**
ii) Policyholders' Investments		
Quoted (Trade)		
Investment in		
Government or Trust Securities	7.58	-
Debentures/Bonds	5.00	-
Mutual Fund	28.99	-
Certificate of deposits	44.08	-
	85.65	**-**
	140.42	**-**
Aggregate value of quoted investments	**140.42**	**-**
(Market value Rs 140.46 Crs)		
24 OTHER INVESTMENTS (AT LOWER OF COST AND FAIR VALUE)		
Units of mutual fund (Non Trade)		
Quoted	-	100.00
Unquoted	184.26	548.07
Fixed Deposit	-	1.00
	184.26	**649.07**
Aggregate value of quoted investments	-	100.00
(Market value Rs nil (PY Rs 100.99 Crs))		
Aggregate value of unquoted investments	184.26	549.07
25 ASSETS HELD TO COVER LINKED LIABILITY OF LIFE INSURANCE BUSINESS		
Current, quoted, trade investments in		
Government or Trust Securities	0.32	-
Debentures/Bonds	110.46	-
Mutual Fund	80.12	-
Certificate of deposits	197.88	-
	388.78	**-**
Other current assets		
Bank balances	1.76	-
Interest and dividend accrued on investments	26.94	-
outstanding contracts	14.40	-
	43.10	**-**
	431.88	**-**
Aggregate value of quoted investments	388.78	-
(Market value Rs 388.78 Crs)		

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
26 INVENTORIES		
(At Lower of cost and net realisable value)		
a) Stores,spare parts, loose tools etc	27.71	24.59
b) Raw materials and components [Including in transit Rs.124.90 cr (PY Rs.102.37 cr)]	527.90	481.52
c) Work-in-progress	386.46	308.24
d) Finished goods	397.28	289.67
Add : Excise Duty	59.87	46.27
	457.15	335.94
e) Trading Goods	8.17	7.30
	1,407.39	**1,157.59**
27 TRADE RECEIVABLES (UNSECURED)		
a) Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	34.53	9.18
Doubtful	2.20	1.77
	36.73	10.95
Less : Provision for doubtful debts	2.20	1.77
	34.53	**9.18**
b) Other Debts		
Considered good	557.28	416.87
	591.81	**426.05**
28 CASH AND BANK BALANCE		
Cash and Cash Equivalents		
a) Balances with banks on		
Current Account	177.74	47.00
Deposit having original maturity of three months or less	0.01	12.01
b) Cheques, drafts in hand	27.99	-
c) Cash in hand	10.37	0.24
d) Unpaid Dividend Account	4.40	3.54
	220.51	**62.79**
29 SHORT-TERM LOANS AND ADVANCES		
(i) Unsecured, Considered good		
a) Advances recoverable in cash or kind	27.91	57.86
b) Prepaid Expenses	13.22	2.70
c) Balances with Customs, Sales Tax & Excise Authorities	13.00	18.87
d) Deposits - Others	7.67	5.74
e) Loans to employees	1.37	0.50
	63.17	**85.67**
30 OTHER CURRENT ASSETS		
Unsecured, Considered good		
a) Interest accrued on deposits and others	101.54	0.21
b) Others - related to life insurance business*	249.19	-
	350.73	**0.21**
* Comprises of :		
Investment Held to meet Policy holders dues/Claims	175.94	-
Unit subscription Receivable-Policyholder	66.94	-
Due from employee on termination	4.73	-
Others	1.58	-
	249.19	**-**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
31 REVENUE FROM OPERATIONS		
A. Sale of products		
Finished Goods	7,040.50	5,813.52
Traded Goods	66.63	65.77
	7,107.13	5,879.29
Less : Excise duty	793.58	563.64
	6,313.55	5,315.65
B. Sale of Services		
Life Insurance premium	47.58	-
C. Other Operating Income		
Investment Income of Life Insurance Policyholders' Fund related to Non-Linked Business	4.76	-
	6,365.89	**5,315.65**
(i) Sales are net of price adjustments, discounts, trade incentives, VAT, Sales Tax etc.		
(ii) Excise duty includes Rs. 35.51 crs (PY Rs. 23.03 crs) paid on batteries issued towards warranty claims.		
Details of products sold		
Finished goods		
Storage batteries	6,865.58	5,766.56
Home UPS Systems	135.04	12.89
Lead & Lead Alloy	21.84	14.04
Battery chargers, UPS, etc.	18.04	20.03
	7,040.50	5,813.52
Traded goods		
Storage batteries	48.52	50.60
Home UPS Systems	2.56	4.60
Solar Lanterns and Homelights	15.55	10.57
	66.63	**65.77**
32 OTHER INCOME		
Interest Income on		
Bank deposits	0.24	0.23
Interest Income on investments		
Long term	0.47	-
Current	0.84	0.31
Dividend Income on current investments	48.13	34.23
Net gain on sale of long term investments	0.22	-
Net gain on sale of fixed assets	0.07	0.46
Bad debt recovered	0.36	0.43
Other non-operating income	5.72	5.80
	56.05	**41.46**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
33 COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Opening Stock	481.52	520.07
Add : Purchases (including Processing charges, Procurement expenses etc, and after adusting Cenvat Credits)	4,255.07	3,426.31
	4,736.59	**3,946.38**
Less : Closing Stock	527.90	481.52
	4,208.69	**3,464.86**
Materials consumed includes warranty costs Rs 134.07 crs (PY Rs 106.56 crs), export incentives Rs 5.64 crs (PY Rs 6.77 crs), and purchase tax set-off nil (PY Rs 0.49 crs)		
34 INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN - PROGRESS AND TRADED GOODS		
Opening Stock		
Work-in-progress	308.24	297.64
Finished goods	289.67	236.79
Traded Goods	7.30	24.50
	605.21	**558.93**
Closing Stock		
Work-in-progress	386.46	308.24
Finished goods	397.28	289.67
Traded Goods	8.17	7.30
	791.91	**605.21**
Increase in Excise Duty on Finished Goods	(13.60)	(10.60)
	(200.30)	**(56.88)**
35 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	331.96	276.79
Contribution to provident and other funds (Refer Note 43)	26.28	18.26
Staff welfare expenses	44.93	35.33
	403.17	**330.38**
36 FINANCE COSTS		
Interest expenses	8.98	14.89
Other borrowings costs	0.08	0.02
	9.06	**14.91**
37 DEPRECIATION AND AMORTISATION		
Depreciation of tangible assets	120.38	109.66
Amortisation of intangible assets	3.22	0.88
Less: Transfer from revaluation reserve	(1.60)	(2.17)
	122.00	**108.37**

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
38 OTHER EXPENSES		
Stores and spare parts consumed	64.68	55.26
Power and fuel	261.19	213.00
Battery Charging / Battery assembly expenses	90.41	65.73
Repairs and maintenance		
Buildings	8.01	6.55
Plant & machinery	28.45	25.92
Others	8.23	6.72
Rent & Hire Charges	23.53	17.30
Rates and taxes	2.97	2.75
Insurance	2.96	2.40
Commission	6.63	3.46
Royalty and Technical Aid Fees	27.08	11.96
Benefits paid to Life insurance policyholders	32.70	-
Publicity and Sales Promotion	75.46	55.30
Freight & Forwarding (net)	200.94	146.52
Cash Discounts	58.11	43.59
After Sales Services	32.92	24.68
C & F Expenses	21.71	19.96
Travelling & Conveyance	21.12	16.66
Bank Charges	2.77	3.69
Communication Costs	5.79	5.95
Donations	0.26	0.38
Directors' Sitting Fees	0.03	0.03
Loss on Fixed assets sold/discarded	0.53	0.65
Auditors' Remuneration:		
As Auditors		
- For Statutory audit	0.71	0.67
- For Limited Reviews	0.26	0.25
- For Others	0.04	0.03
As Tax Auditors	0.07	0.07
Other Services	0.05	0.17
Out of pocket expenses	0.06	0.04
Bad Debts written off	0.06	-
Provision for doubtful debts	0.60	0.24
Provision for doubtful Loans and Advances	0.88	1.42
Net foreign exchange rate difference (Gain) / Loss	1.27	12.67
Miscellaneous expenses (refer Note 39)	43.93	38.98
	1,024.41	**783.00**

i) EIL has a full-fledged Research and Development Center and it has thereby been able to considerably further its efficiency. During the year, a sum of Rs. 11.10 crs. (Rs. 12.05 crs), including capital expenditure Rs. 0.20 crs. (Rs. 0.94 crs), was spent on Research and Development work.

ii) Stores and Spares consumed of EIL is exclusive of Rs. 0.69 crs (Rs 0.46 crs) being the amounts allocated to other heads of expenses.

iii) Rent and Hire charges of EIL include Rs 0.51 crs (Rs. 0.54 crs) towards lease of residential apartments. These are cancellable leases, renewable by mutual agreement. Generally, there is no escalation clause and no other restrictions imposed by the lease arrangements. There are no sub-leases.

	March 31, 2013 (Rs. In Crores)	March 31, 2012 (Rs. In Crores)
39 MISCELLANEOUS EXPENSES		
Motor Vehicle Running Expenses	6.34	5.50
Consultancy & Services outsourced	10.31	8.95
Security Service Charges	8.19	6.89
General Expenses	2.44	1.51
Legal Expenses	2.98	2.87
Printing & Stationery	5.57	5.01
TQM Expenses	0.21	0.52
CSR Expenses	1.60	1.21
Pollution Control Expenses	4.06	4.30
Testing Charges	0.52	0.51
Liquidated Damages	0.57	0.74
Battery Erection / Installation Costs	1.14	0.97
	43.93	**38.98**
40 CHANGE IN VALUATION OF LIABILITY IN RESPECT OF LIFE INSURANCE POLICIES IN FORCE		
Surplus/(deficite) in par funds adjusted from existing surplus	0.03	-
Release from) fund for Future Apporiation	(0.10)	-
Change in valuation of liability in respect of life insurance polices in force	12.82	-
Investment income on Life Insurance Policyholders' related to linked business	(9.00)	-
	3.75	**-**

41 SEGMENT REPORTING

The group's business is organized in three primary business segments, 'Storage Batteries & allied products', 'Solar Lantern & Homelights' and 'Life Insurance business'. Storage batteries & allied products and life insurance business being the only reportable segment. Non reportable segment is shown as others. The products/services included in each of the reported business segments are as follows :

a) Storage batteries & allied products - The holding company and some of its subsidiaries manufactures lead acid storage batteries and allied products.

b) Life Insurance business - This segment relates to the nation wide life insurance business carried by one of the subsidiaries.

Segment information for the group is as under :

Business Segments

Year ended 31st March 2013 **(Rs. In crs)**

Particulars	Storage Batteries & & allied products	Life Insurance Business	Others	Total
Revenue (Gross Sale)	7,091.57	52.34	15.56	7,159.47
Segment Results	728.23	0.63	1.28	730.14
Unallocated expenses				
Operating Profit				730.14
Finance Cost				9.06
Other income including finance income				56.05
Profit before tax				777.13
Income taxes				237.13
Profit after tax				540.00
As at 31st March 2013				
Segment assets	3,286.46	6,916.77	0.94	10,204.17
Unallocated assets				1,104.54
Total assets				**11,308.71**

(Rs. In crs)

Particulars	Storage Batteries & & allied products	Life Insurance Business	Others	Total
Segment liabilities	1,225.64	6,881.14	3.14	8,109.92
Unallocated liabilities				107.94
Total liabilities				**8,217.86**
Other Segment information				
Capital expenditure :				
Tangible assets	235.01	-	-	235.01
Intangible assets	8.16			8.16
Depreciation	118.66	0.08	0.04	118.78
Amortization	3.18	0.03	–	3.21

Year ended 31st March 2012* (Rs. In crs)

Particulars	Storage Batteries & & allied products	Others	Total
Revenue (Gross Sale)	5,868.72	10.57	5,879.29
Segment Results	635.37	0.71	636.08
Unallocated expenses			–
Operating Profit			636.08
Finance Cost			14.91
Other income including finance income			41.46
Profit before tax			662.63
Income taxes			197.94
Profit after tax			464.69
As at 31st March 2012			
Segment assets	2,881.18	1.23	2,882.41
Unallocated assets			1,040.15
Total assets			3,922.56
Segment liabilities	1,188.63	1.95	1,190.58
Unallocated liabilities			32.15
Total liabilities			1,222.73
Other Segment information			
Capital expenditure :			
Tangible assets	214.81	-	214.81
Intangible assets	12.01	-	12.01
Depreciation	107.47	0.02	107.49
Amortization	0.88	-	0.88

* IVL not being a subsidiary last year, the segment information for year 2011-12 does not have life insurance as a segment.

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 31st March 2013 (Rs. In crs)

Particulars	India	Overseas	Total
Revenue (Gross Sale)	6,700.27	459.20	7,159.47
Other Segment information :			
Segment assets	2,639.00	243.41	2,882.41
Unallocated assets			1,104.54
Additions :			
Tangible assets	232.74	2.27	235.01
Intangible assets	8.16	-	8.16

Year ended 31st March 2012			(Rs. In crs)
Particulars	India	Overseas	Total
Revenue (Gross Sale)	5,600.13	279.16	5,879.29
Other Segment information :			
Segment assets	2,692.28	190.13	2,882.41
Unallocated assets	-	-	1,040.15
Additions :			
Tangible assets	211.40	3.41	214.81
Intangible assets	12.01	-	12.01

42 Gratuity and Other Post employment Benefit Plans

i) The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

ii) The Group provides certain post-retirement medical benefits (PRMB) to the employees qualifying for such benefits under the scheme upto 31 March 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.

iii) The Group has a Pension plan, a part of the liability whereof upto 31 March 2003 is in the nature of a defined benefit plan. From 1 April 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance company.

iv) The Group also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

	For the year ended 31st March 2013		Rs Crores	For the year ended 31st March 2012		Rs Crores
	GRATUITY	PENSION Plan (Benefit)	PRMB	GRATUITY	PENSION Plan (Benefit)	PRMB
I. Expenses recognised in the Statement of Profit & Loss Account						
1. Current / Past Service Cost	6.26	–	0.11	3.47	–	0.09
2. Interest Cost	4.64	0.61	0.29	3.67	0.57	0.28
3. Expected Return on plan assets	4.98	0.69	–	4.11	0.75	–
4. Actuarial (Gains) / Losses	3.67	(0.45)	(0.14)	(1.21)	(0.37)	(0.30)
5. Total Expense	9.59	(0.53)	0.26	1.82	(0.55)	0.07
II. Net Asset / (Liability) recognised in the Balance Sheet						
1. Present Value of Defined Benefit Obligation	66.66	7.26	3.61	49.59	7.25	3.51
2. Fair Value of Plan Assets	64.02	6.13	–	50.27	8.65	–
3. Net Asset / (Liability)	(2.64)	(1.13)	(3.61)	0.68	1.40	(3.51)
III. Change in Obligation during the year						
1. Present Value of Defined Benefit Obligation at the beginning of the year	56.97	7.25	3.51	48.06	7.12	3.66
2. Current Service Cost / Plan amendments	6.26	–	0.11	3.47	–	0.09
3. Interest Cost	4.64	0.61	0.29	3.67	0.57	0.28
4. Benefits Paid	4.96	0.16	0.16	4.47	0.19	0.15
5. Actuarial (Gains) / Losses	4.01	(0.44)	(0.14)	(1.14)	(0.30)	(0.30)
6. Present Value of Defined Benefit Obligation at the end of the year	66.92	7.26	3.61	49.59	7.20	3.58
IV. Change in the Fair Value of Plan Assets during the year						
1. Plan assets at the beginning of the year	57.64	8.65	–	45.28	9.51	–
2. Expected return on plan asstes	4.98	0.69	–	4.11	0.75	–
3. Contribution by employer	6.30	(3.06)	0.16	5.28	(1.49)	0.15
4. Actual Benefits Paid	4.92	0.16	0.16	4.39	0.19	0.15
5. Actuarial Gains/(Losses)	0.26	0.01	–	0.07	0.07	–
6. Plan assets at the end of the year	64.26	6.13	–	50.27	8.65	–
7. Actual return on Plan Assets	5.24	0.70	–	4.18	0.82	–

	Rs Crores For the year ended 31st March 2013 GRATUITY	PENSION Plan (Benefit)	PRMB	Rs Crores For the year ended 31st March 2012 GRATUITY	PENSION Plan (Benefit)	PRMB
V. In 2013-14 EIL expects to contribute Rs 6.00 crs (Rs 5.00 crs) to gratuity and Rs 3.00 crs (Rs 0.50 crs) to Pension						
VI. The major categories of plan assets as a percentage of the fair value of total plan assets						
Investments with insurer	100%	100%	–	100%	100%	–

VII. Actuarial Assumptions	**EIL**	**CML**	**CPSSL**	**CAIL**	**IVL**
1. Discount Rate	8.25 % p.a (8.50 %)	8.50% p.a (8.25%)	8.50% p.a (8.35%)	8.50% p.a (8.15%)	8.00%
2. Expected rate of return on plan assets	9.00 % p.a (9.00%)		8.50% p.a (8.35%)		7.25%
3 Mortality pre retirement	Standard Table LIC (1994-96) Ultimate		Standard Table LIC (1994-96) Ultimate		
4. Mortality post retirement	Mortality for annuitants LIC (1996-98) Ultimate				
5. Employee Turnover Rate	4.20% (4.20 %)	2.00%	10.00%	3.00%	First 4 yrs- 8% thereafter-6%

VIII. Healthcare cost trend rates have no effect on the amounts recognised in the statement of profit and loss account, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change.

IX. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

X. Contribution to Provident and Other Funds includes Rs 16.48 crs (Rs 14.94 crs) paid towards Defined Contribution Plans.

XI. The above disclosures are made for all the Indian companies within the Group.

Gratuity and Other Post Employment Benefit Plans **(Rs. In Crores)**

XII. Amounts for the current and previous four periods are as follows :	Year ended March 13	Year ended March 12	Year ended March 11	Year ended March 10	Year ended March 09
1 Gratuity					
Defined Benefit Obligation	66.66	49.43	47.96	37.46	29.46
Plan Assets	64.02	50.27	45.27	36.67	29.50
Surplus / (deficit)	(2.64)	0.84	(2.69)	(0.79)	0.04
Experience Gain / (loss) adjustments on plan liabilities	3.07	0.57	(2.87)	(11.15)	(0.57)
Experience Gain / (loss) adjustments on plan assets	0.14	0.09	0.30	0.49	0.17
2 Pension					
Defined Benefit Obligation	7.26	7.25	7.17	9.59	9.42
Plan Assets	6.13	8.65	9.51	13.01	12.53
Surplus / (deficit)	(1.13)	1.40	2.34	3.42	3.11
Experience Gain / (loss) adjustments on plan liabilities	0.49	0.19	0.61	(0.03)	(0.39)
Experience Gain / (loss) adjustments on plan assets	0.01	0.07	0.09	0.33	0.20
3 Post Retirement Medical Benefit					
Defined Benefit Obligation	3.61	3.51	3.59	3.11	2.47
Experience Gain / (loss) adjustments on plan liabilities	0.21	0.16	(0.55)	(0.75)	(0.01)

43 RELATED PARTY DISCLOSURE :

i) Particulars of related parties :

1. Associated Company — ING VYSYA Life Insurance Company Limited (IVL)(upto 21st March'13)
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
   Brown & Company PLC
   Standard Finance Ltd.
3. Key Management Personnel —
   Mr T V Ramanathan
   Mr G Chatterjee
   Mr P K Kataky
   Mr A K Mukherjee
   Mr Nadeem Kazim
   Mr Supriyo Coomer
   Mr. Winston Wong
   Mr. Samyajit Chaudhury
   Mr R M D Bandara
   Mr. T. W. Atkins (upto 2nd August'12)
   Mr.A. Ghosal
   Mr. Raja Choudhury
   Mr. A.B.Oke
   Mr. Surender Joseph
   Mr. Kshitij Jain (from 22nd March'13)
4. Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year —
   Klevenberg (Pvt) limited
   Browns Group Industries Limited

ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Associated Companies		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Companies/firms in which directros/their relatives are interested		Total	
	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2013	Transaction Value	Balance Outstanding as on 31-03-2013
Purchases of goods –									
– Brown & Company PLC			- (0.68)	- (0.08)				- (0.68)	- (0.08)
– Browns Group Industries Ltd						3.91 (3.17)	0.85 (0.67)	3.91 (3.17)	0.85 (0.67)
Sale of goods									
– Brown & company PLC	- -	- -	73.18 (70.67)	13.21 (10.91)				73.18 (70.67)	13.21 (10.91)
– Klevenberg (Pvt) limited						29.22 (18.82)	5.34 (3.13)	29.22 (18.82)	5.34 (3.13)
Technical Assistance Expenses - CEIL	- -	- -	0.11 (0.11)	-	- -			0.11 (0.11)	- -
Trade Mark Expenses - CEIL	- -	- -	0.05 (0.03)	- -	- -			0.05 (0.03)	- -
Employee Welfare Expenses - IVL	0.43 (0.43)							0.43 (0.43)	- -
Dividend paid - Standard Finance Ltd.	- -	- -	0.64 (1.13)	- -	- -			0.64 (1.13)	- -
Rental Income - CEIL	- -	- -	0.05 (0.05)	- -	- -			0.05 (0.05)	- -
Remuneration									
to Directors	- -	- -	- -	- -	8.19 (6.65)			8.19 (6.65)	3.54 (2.53)
to Others	- -	- -	- -	- -	3.10 (2.70)			3.10 (2.70)	- -
- **Total**	-	-	-	-	11.29 (9.35)			11.29 (9.35)	3.54 (2.53)

(Figure in bracket represents previous year figures)

44 ACTUARIAL METHOD AND ASSUMPTIONS FOR THE LIFE INSURANCE BUSINESS

Liability for policies in force ('the Liability') is determined by the Appointed Actuary in accordance with generally accepted actuarial practice as well as the requirements of the Insurance Act, 1938 and the regulations notified by IRDA and relevant actuarial practice standards issued by Institute of Actuaries of India.

(a) Traditional Individual Business

The Liability on a policy is calculated based using the 'Gross Premium Method', representing the present value of expected future outgo including benefits (including future bonuses for participating policies) and future expenses less present value of expected future premium. Further, a reserve for death claims that may have been Incurred but are not yet reported to IVL (IBNR) is also maintained. The reserves for the Best Years Retirement Plan, ING New Best Year Retirement Plan and ING Assured Return have been set up as the sum of the policy fund balances as at 31 March 2013 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 (1994-96)-Modified Ultimate and varies between 90% and 135% (last year 90% and 135%) of the table. Morbidity assumption is based on the CIBT 93 Table

ii. Expenses :

Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has been made at actual rates payable.

iii. Valuation discount rate :

Between 5.5% to 6.5% p.a. for all products (Last Year between 5.5% to 6.5% p.a. for all products).

Assumptions on future bonus rates for participating business have been set to be consistent with valuation interest rate assumptions.

iv. Lapses :

Future policy lapses have been assumed based on the type of policy and the duration for which the policy has been in force. The lapse rates are based on current experience of IVL.

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 31 March 2013 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 IVL 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 (1994-96)-Modified Ultimate tables and is 90% of the table.

Ii. Expenses :

Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has also been made at actual rates payable.

iii. Valuation discount rate (for setting up of Non unit reserve) : 4.5% p.a. (last year 4.5% p.a.)

iv. Unit growth rate : 4% to 10% (last year 4% to 10%) depending on the type of fund.

Margins for Adverse Deviation

The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations.

(c) Group Business :

Unearned Premium method for reserving is adopted for the Group yearly renewable term product. The Group Single Premium Mortgage/Credit products have been valued using the Gross Premium Method with allowance for future expected expenses. Provision for IBNR reserve has also been made as appropriate.

(d) Linked group business :

The reserves held under the unit-linked products are the fund balances as at 31 March 2013.

(e) Reinsurance Credit

The reinsurance credit is calculated on unearned premium basis, based on the expected reinsurance premium outgo.

45 DETAILS OF VARIOUS PENAL ACTIONS TAKEN BY GOVERNMENT AUTHORITIES FOR THE LIFE INSURANCE BUSINESS

(Additional disclosure as per Circular No. 005/IRDA/F&A/CIR/May-09 dated 07 May 2009) **(Rs. In crores)**

Sl No.	Authority	Non- Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty waived /reduced
1.	Insurance Regulatory and Development Authority	Excess payment made to few channel partners	0.30	0.30	NIL

46 INVESTMENTS OF LIFE INSURANCE BUSINESS

IVL is maintaining separate funds for Shareholders and Policyholders as per section 11 (1B) of the Insurance Act, 1938. Investments and related incomes are segregated between Participating, Non Participating, Unit Linked, Annuity and Pension funds. In respect of policyholder funds, the allocation of cash / securities to policyholder is done on a daily basis.

Investments under section 7 of the Insurance Act 1938 are in "8.20% GSEC 12-02-2024 OIL BOND (Face Value ₹ 121,091)" having Book Value of Rs. 11.90 crs and Market Value Rs 12.07 crs.

As on 31 March 2013, none of the investments of IVL have been classified as non-performing as per the income recognition norms issued by the IRDA.

As on 31 March 2013, none of the investments of IVL have been classified / categorised in the definition of Loans & Advances as per circular no 32/2/F&A/Circular/169/Jan/2006-07. In view of this, IVL has not made any provisions.

47 OPERATING LEASE COMMITMENTS

The Company has entered into commercial leases on certain items of equipment, machinery, computers, vehicles and building. These leases have a life between one year and sixteen years. There are no restrictions placed upon the Company by entering into these leases. These payments are recognised in the statement of Profit and loss under Rent and Hire charges.

The future minimum lease amounts under non-cancellable operating lease in case of CML, CAIL, CBSEA, ESPEX and IVL are payable as follows :

	2012-13 (Rs. In crs.)	**2011-12 (Rs. In crs.)**
Not later than one financial year	34.95	1.58
Later than one financial year but not later than five financial years	85.87	4.95
Later than five financial years	22.71	7.80

48 EARNINGS PER SHARE (EPS)

	2012-13	**2011-12**
Details for calculation of basic and diluted earning per share:		
Profit after tax as per Statement of Profit and Loss	549.35	446.06
Weighted average number of equity share (Numbers)	850,000,000	850,000,000
Basic and diluted earning per share (Rs.)	6.46	5.25

49 UNHEDGED FOREIGN CURRENCY EXPOSURE

The following assets and liabilities in foreign currencies as at the Balance Sheet Date are not hedged

	As at 31st March, 2013 (Rs. In crs.)	**As at 31st March, 2012 (Rs. In crs.)**
Trade Receivables	5.87	9.39
Trade Payables	134.54	129.56
	140.41	**138.95**

50 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

	2012-13 (Rs. In crs.)	2011-12 (Rs. In crs.)
Principal amount due	10.95	11.29
Interest due on above	0.02	0.01
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	0.01	–
Amount of interest due and payable for the period of delay	0.02	0.02
Amount of interest accrued and remaining unpaid as at year end	0.04	0.03
Amount of further interest remaining due and payable in the succeeding year	–	–

51 CAPITAL AND OTHER COMMITMENTS

	As at 31st March, 2013 (Rs. In crs.)	As at 31st March, 2012 (Rs. In crs.)
Commitment for acquisition of fixed assets	63.59	54.88
Commitment for investment	45.31	15.20
Other Commitments	20.00	27.00
	128.90	**97.08**

52 CONTINGENT LIABILITIES

Outstanding Bank Guarentees / Indemnity Bonds	18.30	15.99
Sales Tax demands	16.35	1.79
Excise Duty demands*	34.34	33.85
Service Tax demands**	234.46	0.77
Income Tax demands	5.09	6.62
Other claims being disputed by the Group	0.44	0.45
Other Contractual Obligation	5.47	4.09
Share of contingent liabilities of Associate Company	–	120.31
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	314.45	**183.87**

* 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, as it is still to be adjudicated by the Hon'ble Supreme Court..

** a) IVL has received three demand orders on 28th December 2012 from the Office of the Commissioner of Service tax with respect to excess utilisation of CENVAT credit for payments of service tax liability for the financial years 2008-09, 2009-10 & 2010-11 amounting to Rs.2,31.23 crs. The authority has also demanded applicable interest for delay in payment of the service tax and an amount equivalent to the service tax demand as penalty. IVL had filed an appeal on 25th March 2013 before the Appellate Tribunal (CESTAT) against the above orders.

b) IVL has received Show Cause-cum Demand dated 04th January 2013 for Rs.3.23 crs from the Office of the Commissioner of Service Tax for the month of April 2012 with respect to excess utilisation of CENVAT credit towards service tax liability. IVL has filed a reply on 22nd March 2013 to the Service Tax Authorities.

53 Persuant to IVL becoming a subsidiary, the current year figures include the figures of IVL, and hence are not comparable with the figures of the previous year to that extent.

54 Previous year figures have been regrouped / rearranged where necessary.

As per our report of even date.
S R B C & CO LLP
Firm Registration Number: 324982E
Chartered Accountants

per Kamal Agarwal
a Partner
Membership No. 58652
Mumbai, 29 April, 2013

S. Coomer
Secretary

As Approved
For and on behalf of the Board of Directors

R. G. Kapadia
T. V. Ramanathan
A. K. Mukherjee
Directors

INFORMATION REGARDING SUBSIDIARY COMPANIES

FOR THE YEAR ENDED MARCH 31, 2013

(Rs. In Crores)

Name of the Subsidiary	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investment			Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Interim Dividend	Proposed Dividend
					Long Term	Current	Total						
Chloride Power Systems & Solutions Ltd. (Formerly Caldyne Automatics Ltd.)	1.98	7.06	24.43	15.39	–	–	–	75.85	6.16	2.01	4.15	2.97	–
Chloride Metals Ltd. (Formerly Tandon Metals Ltd.)	15.00	19.53	77.39	42.86	–	–	–	516.59	17.56	5.81	11.75	7.50	–
Chloride Alloys India Ltd. (Formerly Leadage Alloys India Ltd.)	25.00	22.89	201.12	153.23	–	–	–	702.55	18.43	6.70	11.73	7.50	–
Chloride International Ltd.	0.45	5.58	6.27	0.24	– **	–	– **	0.49	0.34	0.06	0.28	–	–
Chloride Batteries S.E. Asia Pte. Ltd.*	42.59	13.44	122.18	66.15	–	–	–	154.73	7.18	1.11	6.07	2.13	–
Associated Battery Manufacturers (Ceylon) Ltd. @	2.92	20.60	47.92	24.40	0.52	–	0.52	94.86	6.75	1.91	4.84	3.06	–
Espex Batteries Ltd. #	0.84	1.79	26.42	23.79	–	–	–	43.30	0.16	0.04	0.12	–	–
ING Vysya Life Insurance Company Ltd.	1,464.88	(1,125.81)	7,210.88	6,871.81	3,661.70	140.42	3,802.12	1,950.50	23.07	–	23.07	–	–

* Converted into Indian Rupees at the Exchange Rate, 1 Singapore Dollar = Rs. 43.74 as on 31st March, 2013

@ Converted into Indian Rupees at the Exchange Rate, 1 Srilankan Rupees = Re. 0.46 as on 31st March, 2013

Converted into Indian Rupees at the Exchange Rate, 1 Great Britain Pound = Rs. 82.33 as on 31st March, 2013

** Figures being less than Rs 50,000 in each case, have not been disclosed.

NOTES

EXIDE INDUSTRIES LIMITED

Registered Office
EXIDE HOUSE, 59E CHOWRINGHEE ROAD
KOLKATA 700 020

ATTENDANCE SLIP

(To be signed and handed over at the entrance of the Meeting Hall)

I/We hereby record my presence at the 66th Annual General Meeting at Kala Mandir, 48 Shakespeare Sarani, Kolkata 700017 on Tuesday, 16th day of July, 2013 at 10.30 a.m.

Name(s) of the Member(s)	
	Number of Shares :
	Registered Folio No. :
	DP-ID No. :
	CL-ID No. :

Name of Proxy (in block letters)　　　　Member's/Proxy's Signature

(To be filled in if the Proxy attends instead of the Member)

Note : The copy of the Annual Report may please be brought to the Meeting hall.

EXIDE INDUSTRIES LIMITED

Registered Office
EXIDE HOUSE, 59E CHOWRINGHEE ROAD
KOLKATA 700 020

PROXY FORM

Registered Folio No.　　　DP-ID No.　　　Client ID No.

I/We ....of ....

being a member/members of the above named Company, hereby appoint ....

....

or failing him ....

of ....

as my/our proxy to vote for me/us on my/our behalf at the 66th Annual General Meeting of the Company to be held on Tuesday, the 16th day of July, 2013 at 10.30 a.m. at Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017 and at any adjournment thereof.

Signed ....

Revenue Stamp Re 1.00

Date ....

Note : Proxies must reach the Company's Registered Office not less than 48 hours before the meeting.

EXIDE

FORM A

Format of covering letter of the annual audit report to be filed with the

Stock Exchanges

1.	Name of the Company	Exide Industries Limited
2.	Annual financial statement for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable

SRBC & Co LLP

For S R B C & Co LLP
Registration Number 324982E
Chartered Accountants

Per Kamal Agarwal
Partner
Membership No: 58652
Date: 29th April 2013

S R B C & CO LLP Kolkata

Director-Finance & CFO : A K Mukherjee

Managing Director & CEO : T V Ramanathan

Chairman – Audit Committee : Rajesh Kapadia

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company:	Exide Industries Limited and its Subsidiaries
2.	Annual consolidated financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable

SRBC & CO LLP

For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number: 324982E

per Kamal Agarwal

Partner
Membership Number: 58652
Place of Signature: Mumbai
Date: 29th April, 2013

S R B C & CO LLP Kolkata

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

Managing Director & CEO: ....
T.V Ramanathan

Chairman-Audit Committee: Rajesh Kapadia ....
Rajesh Kapadia