

EXIDE INDUSTRIES LIMITED

CIN : L31402WB1947PLC014919

Registered Office : Exide House, 59E Chowringhee Road, Kolkata 700 020
Phone : (033) 2283-2120/2150, **Fax :** (033) 2283-2642
e-mail : exideindustrieslimited@exide.co.in
Website : www.exideindustries.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 67th Annual General Meeting of the Company will be held at Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700 017 on Tuesday the 22nd day of July, 2014 at 10 AM to transact the following business :-

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended 31 March, 2014 and the Balance Sheet as at that date alongwith the consolidated financial statements of the Company as on 31 March, 2014 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 R B Raheja who retires by rotation and, being eligible, offers himself for reappointment.
4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :

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

SPECIAL BUSINESS

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

"RESOLVED THAT a remuneration of Rs. 8,50,000/- (Rupees eight lakhs fifty thousand only) plus out of pocket expenses and applicable taxes, payable to M/s Mani & Company, Cost Accountants, for audit of the cost

records of the products manufactured by the Company for the year ending 31st March, 2015, as approved by the Board of Directors, be and is hereby ratified."

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

"RESOLVED THAT pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, Mr R G Kapadia, who was appointed by the members as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for five consecutive years upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

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 Section 149 and other applicable provisions of the Companies Act, 2013, Mr Vijay Aggarwal, who was appointed by the members as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for five consecutive years upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

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 Section 149 and other applicable provisions of the Companies Act, 2013, Ms Mona N Desai, who was appointed by the members as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for five consecutive years upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

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 Section 149 and other applicable provisions of the Companies Act, 2013, Mr Sudhir Chand, who was appointed by the members as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for five consecutive years upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

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

"RESOLVED THAT in supersession of the

resolution passed by the members at its Annual General Meeting held on 16th July, 2013 and pursuant to the provisions of Sections 149,197,198 and other applicable provisions, if any, of the Companies Act, 2013, the Articles of Association of the Company, and further subject to such other approvals and permissions as may be necessary, consent of the Company be and is hereby accorded for payment of remuneration by way of commission, in addition to sitting fees payable for attending the meetings of the Board of Directors or any Committee thereof, to Mr R G Kapadia, Independent Director, with effect from the financial year 2014-2015 during his tenure as an Independent Director of the Company for such amounts as may be determined by the Board of Directors for each financial year subject to a maximum of 1% of the net profits of the Company for each financial year as computed in the manner laid down in Section 198 of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event Mr R G Kapadia ceases to be an Independent Director but continues as a Non-Executive Director such remuneration shall continue to be paid during his term as a Non-Executive Director of the Company."

Date : 9th May, 2014

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

NOTES

- a. **A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. A person can act as a Proxy on behalf of maximum fifty (50) Members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other Member. The instrument of Proxy, in order to be effective, should be duly completed and deposited**

at the registered office of the Company not less than 48 hours before the commencement of the Meeting.

- b. A Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed.
- c. The Register of Members and Share Transfer Books shall remain closed from 15th July, 2014 to 22nd July, 2014, both days inclusive, for the purpose of the Annual General Meeting and final Dividend for the year ended 31st March, 2014, if declared. Final Dividend as recommended by the Board of Directors, if approved at the aforesaid Annual General Meeting, shall be paid to those

- shareholders who hold shares in physical form and whose names appear in the Register of Members or to their mandatees on 22nd July, 2014. Dividend, if any, in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on 14th July, 2014 as per details furnished to the Company by both NSDL and CDSL for the purpose.
- d. 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.
- e. E-voting facility is being provided to all members pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchanges. The Company has engaged the services of National Securities Depository Limited (NSDL) for providing e-voting facilities. The e-voting rights of the Members/beneficial owners shall be reckoned in proportion to the equity shares held by them in the Company as on 20th June, 2014 (Cut-off date fixed for this purpose). Detailed instructions for availing of the e-voting facility are given separately along with this Notice.
- The Results of e-voting will be announced by the Company in its website as well as on the website of NSDL within two days from the date of the Meeting or any adjournment thereof and also informed to the Stock Exchanges where the Company's shares are listed, i.e. NSE, BSE and CSE.
- f. Please note that pursuant to Section 124 of the Companies Act, 2013, Dividend for the financial year ended 31st March, 2007 which remains unpaid or unclaimed, will be due for transfer to the Investors Education and Protection Fund of the Central Government in August 2014. Particulars of shareholders who have not encashed their dividend warrants from the financial year ended 31st March, 2007 onwards are available in the Company's website at http://www.exideindustries.com/unclaimed_dividend.html and also on the website of the Ministry of Corporate Affairs.
- g. Members holding shares in physical form are requested to notify/send the following particulars to the Company or its Registrars to facilitate better service:-
- Bank account details, in case the same have not been sent earlier;
 - Any change in their address/bank details; and
 - Details of share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
- h. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective depositories, viz., NSDL and CDSL, will be considered for payment of dividend through ECS.
- i. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form may submit their PAN to the Company or its Registrars and Share Transfer Agents.
- j. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically. Further, in case of any change in the e-mail address registered with the Company a fresh e-mail id may kindly be sent to the Company.

Date : 9th May, 2014

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

Special Notice of Resolution under Section 115 of the Companies Act, 2013 for appointment of Auditor

Messrs SRBC & Co., LLP, Chartered Accountants, the Auditors retire at the conclusion of the ensuing Annual General Meeting and have expressed their unwillingness to be reappointed for a further term. The Company has received a Notice from a shareholder pursuant to Section 140 read with Section 115 of the Companies Act, 2013 proposing a resolution for approval of the members at the Annual General Meeting to be held on 22nd July, 2014 for appointment of Messrs S R Batliboi & Co., LLP as Auditors of the Company. Messrs S R Batliboi & Co., LLP, Chartered Accountants, is a network firm of Messrs S R B C & Co., LLP. The subject Resolution is appearing as item no. 4 of the Notice convening the Annual General Meeting. A copy of the said Notice has been forwarded to the retiring Auditors as prescribed under Section 140 of the Companies Act, 2013. Messrs S R Batliboi & Co., LLP, Chartered Accountants have also given their consent to act as Auditors, if appointed, and confirmed that the appointment, if made, would be in compliance with Section 141 read with the Companies (Audit and Auditors) Rules, 2014.

Your Directors recommend that the resolution for appointment of Messrs S R Batliboi & Co., LLP as Auditors of the Company be approved by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned with or interested in, financial or otherwise, the Resolution set out at Item No. 4 of the Notice.

Explanatory Statement required under Section 102 (1) of the Companies Act, 2013**Item No. 5**

The Board of Directors at its meeting held on 13th January 2014 appointed M/s. Mani & Company, Cost Accountants, to audit the cost records of the products manufactured by the Company for the year ending 31st March, 2015. Subsequently, at its meeting held on 25th April, 2014, the Board of Directors approved of a remuneration of Rs.8,50,000/- plus out of pocket expenses and applicable taxes payable to M/s. Mani & Company, Cost Accountants for conducting such audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the cost auditors shall be approved by the Board of Directors and subsequently ratified by the Members of the Company. Accordingly the remuneration payable to M/s. Mani & Company, Cost Accountants, for conducting the cost audit for the year 2014-15, as approved by the Board of Directors, is being placed before the Members for ratification.

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

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No.5 of the Notice.

Item Nos. 6 to 9

The Companies Act, 2013, prescribes that every listed Public company shall have at least one third of the total number of directors as Independent Directors. The Independent Directors shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for reappointment on passing of a special resolution by the Members. Mr R G Kapadia, Chairman, Mr Vijay Aggarwal, Director, Ms Mona N Desai, Director and Mr Sudhir Chand, Director, have been appointed by the members at earlier General Meetings as Directors liable to retire by rotation. Since pursuant to the Companies Act, 2013, the Independent Directors are not liable to retire by rotation and are required to be appointed by the Company

in General Meeting for a period of five consecutive years, Mr R G Kapadia, Mr Vijay Aggarwal, Ms Mona N Desai and Mr Sudhir Chand have opted to seek reappointment as Independent Directors for a period of five consecutive years at the ensuing Annual General Meeting. The Company has also received notices in writing from members alongwith deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing the candidatures of each of Mr R G Kapadia, Mr Vijay Aggarwal, Ms Mona N Desai and Mr Sudhir Chand for the office of Directors of the Company at the ensuing Annual General Meeting. The Company has received confirmation from the said Directors that they meet the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and in the opinion of the Board they are each persons of integrity and possess the relevant expertise and experience.

The appointment of the Independent Directors once made at the Meeting shall be formalised through a letter of appointment as prescribed under Schedule IV of the Companies Act, 2013.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Directors recommend adoption of the Resolutions at Item Nos. 6 to 9 of the Notice by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr R G Kapadia, Mr Vijay Aggarwal, Ms Mona N Desai and Mr Sudhir Chand, are concerned with or interested in, financial or otherwise, in the Resolutions set out at Item Nos. 6 to 9 of the Notice.

Item No. 10

The Members at their meeting held on 16th July, 2013 approved payment of remuneration by way of commission upto 1% of the net profits of the Company computed in the manner referred to in Sections 198 and 309 of the Companies Act, 1956, subject to a ceiling of Rs.40,00,000/- per annum to Mr R G Kapadia, Chairman, with effect from 1st April, 2013.

Mr R G Kapadia is a Non-Executive Director liable to retire by rotation but is now proposed to be appointed as an Independent Director pursuant to Section 149 of the Companies Act, 2013, to hold office for a period of five consecutive years with effect from the conclusion of this Annual General Meeting subject to the approval of the Members.

The approval of the Members is therefore being sought for payment of remuneration by way of commission to Mr R G Kapadia for each financial year with effect from 1st April, 2014 during his tenure as an Independent Director of the Company for such amounts as may be decided by the Board of Directors from time to time subject to a ceiling of 1% of the net profits of the Company for each financial year computed in the manner as laid down in Section 198 of the Companies Act, 2013. Such remuneration shall be in addition to the sitting fees payable to Mr R G Kapadia for attending the meetings of the Board of Directors or any Committees thereof. Further, in case Mr R G Kapadia ceases to be an Independent Director but continues as a Non-Executive Director such remuneration shall be continued to be paid to him during his term as a Non-Executive Director of the Company.

Mr R G Kapadia by virtue of his varied experience in the field of finance, law, general management, 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 the remuneration by way of commission to him as mentioned above and accordingly the Board of Directors recommend adoption of the Resolution at Item No. 10 of the Notice by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr R G Kapadia, is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 10 of the Notice.

By Order of the Board
S Coomer

Company Secretary and
Executive Vice President - Legal & Administration

Date : 9th May, 2014

Information pursuant to Clause 49 of Listing Agreement with regard to the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting (Refer Item Nos. 3, 6 to 9 of the Notice)

Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships/Other Committee memberships* held
Mr R B Raheja	17.06.1954	Mr R B Raheja holds a Bachelor's degree in Commerce and has a wide range of experience in industry and business. Mr Raheja has also been dedicating himself to various educational and charitable trusts.	NIL	<p>Directorships :</p> <ol style="list-style-type: none"> 1. Prism Cement Limited 2. Supreme Petrochem Limited 3. EIH Limited 4. Juhu Beach Resorts Limited 5. EIH Associated Hotels Limited 6. Hathway Cable & Datacom Limited 7. Exide Life Insurance Company Limited 8. Amber Apartment Makers Private Limited 9. Ameeta Grihnirman Private Limited 10. Arjun Housing Private Limited 11. Bay-Side Exports Private Limited 12. Brindaban Agro Industries Private Limited 13. Brindaban Builders Private Limited 14. Brindaban Land Development Private Limited 15. Bellvne Constructions Private Limited 16. Bloomingdale Investment & Finance Private Limited 17. Chandramouli Finance & Estates Private Limited 18. Colonnade Housing Private Limited 19. Colonnade Contractors & Developers Private Limited 20. Coronet Investments Private Limited 21. Crescent Property Developers Private Limited 22. Gstaad Trading Company Private Limited 23. Hathway Datacom Central Pvt Ltd 24. ING Investment Management (India) Private Limited 25. Kaunteya Builders Private Limited 26. Kaunteya Contractors & Developers Private 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 R B Raheja (Contd.)				<p>Directorships :</p> <p>27. Kuntinandan Contractors & Developers Private Limited 28. Kuntiputra Properties Private Limited 29. Lavina Contractors & Developers Private Limited 30. Manali Investment & Finance Private Limited 31. Matsyagandha Investments & Finance Private Limited 32. Panchali Builders Private Limited 33. Peninsula Estates Private Limited 34. Prerana Builders Private Limited 35. R. B. R. Constructions Private Limited 36. R. B. R. Estates & Finance Private Limited 37. R. Raheja Properties Private Limited 38. Sea - Side Exports Private Limited 39. Shiraz Realtors Private Limited 40. Shoreline Exports Private Limited 41. Varahagiri Investments & Finance Private Limited 42. Vijay Raheja Builders Private Limited 43. Vidur Constructions Private Limited 44. Villa-Capri Developers Private Limited 45. Windsor Realty Private Limited</p> <p>Committee Memberships :</p> <p><u>Membership of the Audit Committee</u></p> <ol style="list-style-type: none"> 1. EIH Limited 2. Juhu Beach Resorts Limited 3. EIH Associated Hotels Limited <p>Committee Memberships :</p> <p><u>Membership of Shareholders'/ Investors' Grievance Committee</u></p> <ol style="list-style-type: none"> 1. Supreme Petrochem 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 R G Kapadia	02.11.1956	<p>Mr Rajesh Kapadia, Chairman - GMK Consulting Group, is an eminent consultant who is engaged in providing high value-added services to corporates and high net worth individuals <i>inter alia</i> in the areas of strategic planning, transaction advisory, risk mitigation process, dispute resolution and succession planning. He is reputed for creating efficient structures and developing innovative solutions. He is a Fellow Member of the Institute of Chartered Accountants of India and was a Practising Chartered Accountant for three decades from 1982 to 2013. While in practice he was the Managing Partner of G. M. Kapadia & Co. and proprietor of Kapadia Associates. He is amongst the few professionals who have headed a premier trade and industry organisation of the country – he was the President of the Indian Merchant's Chamber (IMC) in its 99th year. He has also been a President of the Bombay Chartered Accountants' Society (BCAS). An Independent Director on the Board of various listed companies and MNCs, he also serves as a Trustee of various Charitable Institutions – this gives him an opportunity to develop his philanthropic pursuits.</p>	NIL	<p>Directorships :</p> <ol style="list-style-type: none"> 1. Asianet Satellite Communications Ltd 2. ELH Associated Hotels Ltd. 3. Goldiam International Ltd. 4. Goldiam Jewellery Ltd. 5. Exide Life Insurance Company Limited 6. Prism Cement Ltd. 7. Raheja QBE General Insurance Co. Ltd. 8. Surin Investments Pvt. Ltd. 9. Aurora Contemporary Art Pvt. Ltd. 10. Chloride Eastern Industries Pte. Ltd. 11. Chloride Eastern Limited <p>Committee Memberships :</p> <p><u>Chairman of the Audit Committee :</u></p> <ol style="list-style-type: none"> 1. Goldiam International Ltd. 2. Prism Cement Ltd. 3. Raheja QBE General Insurance Co. Ltd. 4. Exide Life Insurance Company Limited <p><u>Member of the Audit Committee :</u></p> <ol style="list-style-type: none"> 1. Asianet Satellite Communications Ltd. 2. ELH Associated Hotels Ltd. <p><u>Member of the Shareholders'/ Investors' Grievance Committee</u></p> <ol style="list-style-type: none"> 1. Prism Cement 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 Vijay Aggarwal	08.07.1968	Mr Aggarwal is an Electrical Engineer from IIT, Delhi and he completed his PGDM from IIM, Ahmedabad. He is the Managing Director of Prism Cement Limited. He has over two decades of experience in general management, M&As, and Joint Ventures.	NIL	<p>Directorships :</p> <ol style="list-style-type: none"> 1. Prism Cement Limited 2. Asianet Satellite Communications Ltd. 3. Indian Council of Ceramic Tiles & Sanitaryware 4. Aptech Limited 5. Exide Life Insurance Company Limited 6. Ardex Endura (India) Pvt. Ltd. 7. Spur Cable & Datacom Pvt. Ltd. <p>Committee Memberships :</p> <p><u>Chairman of the Audit Committee</u></p> <ol style="list-style-type: none"> 1. Asianet Satellite Communications Limited <p><u>Member of the Audit Committee :</u></p> <ol style="list-style-type: none"> 1. Aptech Limited <p><u>Member of Shareholders'/Investors' Grievance Committee</u></p> <ol style="list-style-type: none"> 1. Prism Cement Limited
Ms Mona N Desai	02.10.1968	Ms Desai is a Graduate in Psychology and holds a Law Degree from the Govt. Law College, Mumbai. She is a Member of the Bombay Incorporated Law Society. She is an eminent Solicitor and Legal Practitioner. She is also on the Ethics Committee of Kokilaben D Ambani Hospital, Mumbai.	78666	<p>Directorships :</p> <ol style="list-style-type: none"> 1. Sir Mathuradas Visanji Foundation <p>Committee Memberships :</p> <p>NIL</p>

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 Sudhir Chand	21.08.1947	Mr Sudhir Chand is an electrical engineer from BITS Pilani and holds a Diploma in Marketing Management from University of Bombay and Executive Development programmes at IIM Ahmedabad and Cranfield School of Management, UK. Mr Chand has over four decades experience in various functions of general management, marketing, sales, manufacturing, HR and consultancy and currently works in the area of Leadership Development and Executive Coaching.	18872	<p>Directorships :</p> <ol style="list-style-type: none"> 1. ESAB India Limited 2. BOI-AXA Investment Managers Pvt Ltd. 3. Inflexion Management Services Pvt Ltd. 4. Chands Management Services Pvt Ltd. <p>Committee Memberships :</p> <p><u>Membership of Audit Committee</u></p> <ol style="list-style-type: none"> 1. ESAB India Limited <p><u>Membership of Shareholders'/ Investors' Grievance Committee</u></p> <ol style="list-style-type: none"> 1. ESAB India Limited

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

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

Date : 9th May, 2014

The Annual Report and Accounts for 2013-14 is being e-mailed/despatched separately.

PROXY FORM

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L31402WB1947PLC014919

Name of the Company : **EXIDE INDUSTRIES LIMITED**

Registered Office : Exide House, 59E, Chowinghee Road, Kolkata - 700 020

Name of the Member(s) :	
Registered Address :	
E-mail ID :	
Folio No. / Client ID :	
DP ID :	

I/We, being the member(s), holding shares of the above named company, hereby appoint:

(1) Name	Address
E-mail ID	Signature or failing him/her,
(2) Name	Address
E-mail ID	Signature or failing him/her,
(3) Name	Address
E-mail ID	Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 67th Annual General Meeting of the Company, to be held on Tuesday, 22nd July, 2014 at 10:00 a.m. at Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolutions	*	For	Against
Ordinary Business				
1.	Adoption of Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date alongwith the consolidated financial statements of the Company as on 31st March, 2014.			
2.	Declaration of dividend.			
3.	Re-appointment of Mr R B Raheja who retires by rotation and, being eligible, offers himself for re-appointment.			
4.	Appointment of Auditors.			
Special Business				
5.	Ratification of remuneration payable to Cost Auditors for 2014-15.			
6.	Appointment of Mr R G Kapadia as an Independent Director.			
7.	Appointment of Mr Vijay Aggarwal as an Independent Director.			
8.	Appointment of Ms Mona N Desai as an Independent Director.			
9.	Appointment of Mr Sudhir Chand as an Independent Director.			
10.	Payment of remuneration by way of commission to Mr R G Kapadia, Non-Executive Director.			

Signed this day of, 2014

Signature of Shareholder(s)

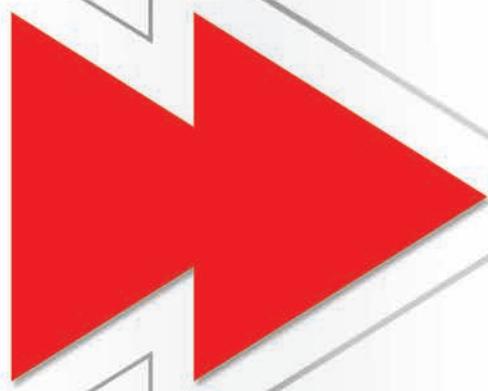
Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

2. For the Resolutions, Explanatory Statement and Notes please refer to the Notice of the 67th Annual General Meeting.

*3 It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



MOVING AHEAD. TOGETHER.

ANNUAL REPORT 2013-14



At the start of another financial year, Exide pledges yet again to move forward, think ahead and innovate while constantly growing. Striving to set standards like only a leader can. Achieving operational excellence at every step. Continuing to strengthen the trust that millions of people have in us. And it is a trust that we always live up to. As we continue to brighten lives across the nation, it is with great pride that we say, "India moves on Exide".

BOARD OF DIRECTORS**R. G. Kapadia***Chairman & Non Executive Director***R. B. Raheja***Vice Chairman & Non Executive Director***P. K. Kataky***Managing Director & Chief Executive Officer***G. Chatterjee***Joint Managing Director***A. K. Mukherjee***Director - Finance & Chief Financial Officer***Nadeem Kazim***Director - HR & Personnel***Subir Chakraborty***Director - Industrial***Vijay Aggarwal***Non Executive Director***S. B. Raheja***Non Executive Director (upto 27th May, 2014)***D. S. Parekh***Non Executive Director**[Alternate to S. B. Raheja (upto 27th May, 2014)]***Mona N. Desai***Non Executive Director***W. Wong***Non Executive Director***Sudhir Chand***Non Executive Director*

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

**CORPORATE SOCIAL
RESPONSIBILITY COMMITTEE**

Sudhir Chand
R. G. Kapadia
P. K. Kataky
G. Chatterjee

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

STATUTORY AUDITORS

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

**REGISTRAR AND SHARE
TRANSFER AGENT**

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

BANKERS

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

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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DIRECTORS' REPORT TO THE SHAREHOLDERS

(including Management Discussion & Analysis)

Your Board of Directors are pleased to present the 67th Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2014.

Economic Environment

After a continuous downturn in 2011-12 and 2012-13 the Indian economy showed some signs of recovery since the second quarter of 2013-14 and it was expected that it would gather pace in the remaining quarters – but the expectations were short-lived. The economy witnessed cyclical downturn in growth slowdown, high current account deficit and unbridled inflation. This in turn stifled growth, especially in the industrial sector. The Index of Industrial Production (IIP), the official measure of industrial activity in India, declined by 0.5% in March 2014 as compared to March 2013. This was mainly due to the continual decline in the manufacturing sector, month after month, both for capital goods as well as the consumer durables sector. In fact, the manufacturing sector suffered a fall in production for the first time since 1991-92. On the external front, a series of events including uncertainty surrounding the Euro-area sovereign debt crisis hampered growth in almost all developed as well as emerging economies.

Industry Structure and Development

Like almost all sectors, the battery industry in India had a definite set back during 2013-14. All automobile segments, except two wheelers, reported a fall in sales during the year. Passenger vehicle sales, which a few years back was estimated to grow by double digits, witnessed a degrowth of nearly 4% in 2013-14. Increase in input costs, higher excise duties on utility vehicles, high interest rates and spiralling fuel costs resulted in postponing of purchases. Utility vehicles sales continued to remain flat. The performance of commercial vehicles declined sharply by around 19%, out of which medium and heavy commercial vehicles sales declined by over 22%. The only redeeming feature was the

two wheelers sales which grew by a modest 7% during 2013-14 due to which the overall automobile industry grew by a meagre 4% in 2013-14.

In the industrial battery segment, 2013-14 continued to be a difficult year with negative sentiments being exhibited across most of the infrastructure sectors. Since several infrastructural projects were held up due to various bottlenecks, this had an adverse impact on the sale of industrial batteries.

Performance

Your Company recorded a net sale of Rs.5964.2 crores in 2013-14 as compared to Rs.6071.4 crores in the previous year with a corresponding profit before tax of Rs.723.1 crores as compared to Rs.742.3 crores in the previous year.

The decline in sale of automotive batteries was due to low demand in OEMs and in Trade due to low demand from Commercial vehicle and Taxi segments. Similarly, sale of Industrial battery suffered due to lack of demand from Power & Projects and less than expected demand in Traction due to slow down in manufacturing sector. For both Automotive and Industrial SBUs, inverter battery demand was much less than previous years due to moderate weather conditions during almost throughout 2013-14. Your Company however undertook several cost cutting measures and also rationalized its product mix and was therefore able to maintain its profitability inspite of a lower top line growth.

Automotive Batteries

Sales of Automotive batteries had a flat growth rate by value in 2013-14 as compared to that of the previous year. The aftermarket sales of four wheeler batteries witnessed an overall de-growth of 8% in units, as compared to the previous year. However, in the two wheelers aftermarket there was a growth of nearly 5%. Sales of batteries in the four wheeler OEM segment was less by 7% in units during the year. However, in OEM two

wheelers there was a minor growth of 1% in sales as compared to that of the previous year.

Inspite of the competitive market conditions your Company continues to remain the preferred supplier to most of the vehicle manufacturers in the country. Your Company supplies batteries for almost all the new vehicles launched during the year.

Apart from lead acid batteries your Company is the only domestic supplier of lithium-ion batteries for electrical vehicles manufactured by Mahindra-Reva.

Industrial Batteries

Sale of Industrial batteries during 2013-14 was Rs. 2065 crores as compared to Rs. 2614 crores in the previous year. Inspite of the extremely difficult market conditions, positive growth was witnessed in the Solar, UPS trade, Railways and Traction sectors. Major inroads were made in the Telecom segment not only through aggressive marketing but also due to introduction of newly developed cost competitive products.

The Industrial UPS battery segment showed some signs of recovery during the last quarter of the previous year. Quality improvement has also helped in creating a positive perception about your Company's products in this segment.

New range of products introduced in the Inverter battery segment have been well received in the market. However, Tubular Inverter battery, where Industrial SBU is very strong in the market, had substantial de-growth due to poor demand arising out of moderate weather conditions.

Submarine

Sales of submarine batteries was Rs.43.20 crores during 2013-14. Your Company continues to be the sole supplier of submarine batteries to the Indian Navy and it is also an accredited supplier to the Admiralty Shipyard, Russia. Efforts are ongoing for securing export orders for submarines being manufactured in other countries also.

Home UPS

Due to strategic reasons and synergistic benefits, your Company acquired two Home

UPS manufacturing units in the State of Uttarakhand. The products manufactured by your Company are based on the superior Sine-Wave technology and have been very well accepted in the market. Your Company is also considering manufacture of both solar and non-solar versions of HKVA range of inverters both for the domestic as well as the export market.

Exports

Export of automobiles batteries recorded an impressive growth of 21% in value as compared to the previous year. The overall export of Industrial batteries in value recorded a growth of 10 % during 2013-14.

Apart from its traditional bases, your Company forayed into new markets in S.E.Asia, Africa and Spain for export of automotive batteries. In Industrial batteries, successful initiatives were taken to export batteries to new markets in Africa and efforts are under progress to consolidate this market. Apart from the same, industrial batteries were also exported to your Company's two wholly owned overseas subsidiaries,viz.Chloride Batteries S.E Asia Pte Limited, Singapore and Espex Batteries Limited,UK.

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 Upgradation

In order to maintain its leadership position your Company is continuously upgrading its technology and also acquiring new technology to meet the ever increasing demands of its customers. The in-house R&D Division is recognized by the Council of Scientific and Industrial Research, Government of India. The R&D Division is actively engaged in creation of innovative products through improvements in manufacturing processes and materials with a continuous focus on cost reduction.

Your Company entered into technical collaboration and assistance agreements with East Penn Manufacturing Company Inc. USA, (East Penn), a leading US manufacturer of high quality lead-acid battery and accessory products. Under these arrangements, East Penn is providing technical

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

Recently, your Company also entered into a new a Technical Licence and Assistance Agreement with Shin-Kobe Electric Machinery Co. Limited, Japan to implement new manufacturing processes for producing cost competitive quality automotive batteries.

Financial Results

	Rs. Crores	
	2013-2014	2012-2013
Profit before depreciation & tax expenses	848.68	855.76
Depreciation and amortisation expenses	125.60	113.48
Profit before tax	723.08	742.28
Tax expenses	236.00	219.50
Profit after tax	487.08	522.78
Balance brought forward	1520.99	1208.75
Making a total of	2008.07	1731.53
Out of this appropriations are :		
General Reserve	50.00	55.00
Leaving a balance of	1958.07	1676.53
Interim Dividend (110%) (Previous year-100%)	93.50	85.00
Tax on Interim Dividend	15.89	13.79
Proposed Final Dividend (70%) (Previous year - 60%)	59.50	51.00
Tax on Final Dividend [Aggregate Dividend amounts to 180% (Previous year - 160%)]	9.32	5.75
And leaving a balance of (which is carried forward to next year)	1779.86	1520.99

Consolidated Financial Statements

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

Dividend

Your Company has paid an interim dividend at the rate of 110%, i.e. @Rs 1.10 per equity share of Re.1 each (Previous Year 100%) on the equity shares to the shareholders, whose names appeared on the Register of Members on 12th November, 2013. Your Directors are now pleased to recommend a final dividend at the rate of 70%, i.e. Re.0.70 per equity share of Re.1 each (Previous year 60%) for the year ended 31st March, 2014, subject to your approval at the ensuing Annual General Meeting. Consequently, the total dividend for the year ended 31st March, 2014, including the interim dividend paid during the year, amounts to 180%, i.e. Rs.1.80 per equity share of Re.1/- each (Previous year 160%).

Corporate Governance

Transparency is the cornerstone of your Company's philosophy and all requirements of Corporate Governance are adhered to both in letter and spirit. The Audit Committee of the Board of Directors meets at regular intervals as required in terms of Clause 49 of the Listing Agreement. Your Board of Directors have taken all 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 approved 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. Pursuant to the Listing Agreement your Company is required to include a Business Responsibility Report as part of the Annual Report and accordingly such Report is annexed to and forms part of this Annual Report.

Business Operational Excellence

Stretching over one and a half decade, the TQM system has been continuously improved and upgraded to fulfill the stringent and changing requirements of customers, as well as to meet the strategic challenges of the business. International standards of Quality, Environment, Occupational Health & Safety; the latest techniques of Total Productive Maintenance (TPM), Lean Manufacturing, 6-Sigma and various problem solving tools constitute the TQM framework for your Company's endeavour towards Business Excellence.

The sophisticated techniques of 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 of products are used to ensure adherence to specifications, continuous monitoring and measurement, and minimal scrap / rework, aimed towards maximizing customer satisfaction and efficient use of resources.

With respect to 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), including all business processes of Corporate, R&D,

Manufacturing, Marketing, Sales and After-Sales-Service.

Keeping up the momentum and carrying the tradition forward, Haldia plant has won the Award for Most Significant Improvement in TQM from CII in 2011 and Productivity Award from CII for 2013-14. As a mark of recognition your Company has won several awards and accolades during the last few years from valued customers like Toyota, Tata Motors, Bajaj, Suzuki, Mahindra & Mahindra - to name a few. Your Company has also won acclaim and recognition award for Design & Development from Maruti Suzuki in 2013-14. In recognition for its efforts towards other stakeholders, the Chinchwad plant in 2013 has won the Renault Special Prize for Coordination of Supplier Forum and also Quality Award for PPM achievement from John Deere in 2013. The QC teams from Shamnagar, Haldia and Hosur plants have been regularly winning awards and prizes at state and national levels from Quality Circle Forum of India and CII.

Our concept of Excellence extends to improvements in efficiency and effective utilisation 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. In recognition of its 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. The Shamnagar and Bawal plants are expected to achieve it in the near future. Efforts are on to reach higher levels of achievement.

Environment and Safety

In line with its core value of being recognized as a responsible corporate citizen, an effective Environment Management System (EMS) has been designed and 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 has proved that your Company not only fulfills all applicable statutory and regulatory environmental norms, but has also

continuously improved its environmental performance over the years.

Keeping in line with global expectations and stakeholder interests, the Environmental Policy has been revised in March 2014 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 activities, products and services continue to be fundamentals of the Environmental Policy, while new dimensions have been added like, reducing carbon footprint, promotion of energy efficiency and introduction of environment friendly technologies. Your Company's commitment extends to supporting other stakeholders in the value chain.

As part of the QMS and EMS, various improvement projects are undertaken to improve quality, conserve energy and reduce cost and any adverse environmental impacts. The Hosur plant has obtained "3-Star" rating in E-H-S from CII for 2013.

The issue of Occupational Health & Safety (OH&S) of employees continue to be a focus area in your Company. We not only comply to all applicable legal and other OH&S requirements but also ensure that all operations, processes and activities are aimed towards prevention of injury and ill health. 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

Your Company's well entrenched CSR philosophy recognizes the following areas as the thrust areas for its activities - Environment, Healthcare, Basic Education, Women's Empowerment and Community Development.

Your Company's factories in the far flung areas of the country develop and execute their own annual agenda for CSR work in the immediate vicinity. Within the broader framework of your Company's CSR policy, individual factories develop their own annual

plan of action based on their interactions with the local community leaders and execute them throughout the year.

These activities typically involve running health camps in villages, helping the local community develop their social infrastructure like schools, health centers or village roads, planting of trees in environmentally sensitive areas to check soil erosion, flood relief work etc.

At a national level your Company's works with the noted international body of UNICEF to improve the health and environment of children in rural India under its WASH (Water, Sanitation and Health) program. The association has been working successfully since 2009 whereby a fixed amount is donated to the global body for every used battery that is returned to the Company us by the customers. This serves several socially desirable purposes. On the one hand it encourages customers to return used batteries that are recycled in an environment friendly manner, on the other it also generates funds for health and sanitation work in rural India where safe sanitation projects are undertaken by UNICEF. Through this activity your Company's customers also feel integrated into the overall CSR activities of your Company by being an active participant in the effort.

The national activity through UNICEF is supplemented by other local activities through reputed NGOs. In Kolkata, near your Company's headquarter, in active collaboration with the reputed NGO, CINI-Asha, basic education of some 150 slum children in the age group of two to six years is being provided on a sustained basis.

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. Apart from the in-house internal audit team, external audit firms have been appointed as internal auditors to conduct regular audits. 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.

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

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

Lowering of interest rates would give a fillip to the automobile industry. 123 road projects worth Rs. 248 billion were commissioned during 2013-14 and several other projects are on the verge of being commissioned. Similarly railway infrastructural projects worth Rs. 73 billion were commissioned during 2013-14. All these projects are expected to lead to large scale activity in the infrastructural sector in the near term. Similarly, several power projects have been commissioned or are expected to be commissioned shortly once the infrastructural bottlenecks are smoothened out. This would inevitably lead to better prospects, mainly for your Company's industrial battery business.

Opportunities and Threats

Your Company has the advantage of having a product range covering a broad spectrum of applications, viz. Automotive, Infrastructure, Power, Telecom, Information Technology, Agriculture, Defense, etc. Technologically superior products coupled with a wide distribution and after-sales service network are the strengths of your Company. Apart from a strong presence in the existing segments, your Company had made forays into new areas such as batteries for electric and hybrid cars and two-wheelers and in the development of environment friendly storage power alternatives. With green and renewable energy being in focus, your Company has also geared itself to offer

products catering to this segment and the initial response has been highly encouraging.

Your Company continues to invest in up-gradation and expansion of its manufacturing capacities. The in-house R&D Division has been consistently developing quality products and is also striving for achieving cost efficiencies. Your Company receives strong support from its Foreign Technical Collaborators not only in the form of sharing of new technology but also by receiving assistance in upgrading manufacturing and other processes which results in technologically superior products with sustainable quality.

Competition in the domestic battery industry is on the increase with not only the existing players being more aggressive to increase their market share but also with several new companies, including leading international players, making forays in this business. Though competition leads to better quality and service, it may also result in over capacity and predatory pricing thereby creating pressure on margins.

Risks and Concern

Lead is the major constituent of your Company's product and the volatility in its price continues to be a cause for concern. This not only has a major impact on costs but also leads to uncertainty in procurement. However, your Company seeks to mitigate this risk through continuous monitoring and prudent business practices. Further, due to the sustained efforts to increase the production and supplies from the captive smelters the dependence on imported lead is gradually being reduced.

Cheap imports especially from China have been another area of concern mainly in the industrial battery segment. Unfortunately, the present anti-dumping laws do not provide adequate protection against such imports. However, your Company has been able to counteract this threat to a considerable extent through consistency in quality of its products and efficient after sales service in order to retain its existing customers as well as to attract new customers.

Subsidiaries

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

Exide Life Insurance Company Limited, which is a 100% subsidiary of your Company, is engaged in the business of life insurance and providing financial investment products. The total premium collected by the said Company during the year ended 31st March, 2014 was Rs.1824.47 crores. The said Company recorded a profit of Rs. 53.03 crores against a profit of Rs. 23.07 crores in the previous year.

Chloride Metals Limited, which is a 100% subsidiary of your Company, is engaged in lead smelting and refining operations and has its plant at Markal, Pune. The said Company achieved a net sale of Rs. 453.05 crores which was 12% lower than the previous year and incurred a loss before tax of Rs. 3.13 crores.

Chloride Power Systems & Solutions Limited, a 100% subsidiary of your Company having its factory at Sector V, Salt Lake City, Kolkata, is engaged in manufacture and sale of chargers, D.C Power Systems and associated equipment. During the year 2013-14, the said Company achieved a turnover of Rs.85.62 crores and a profit before tax of Rs.8.21 crores representing an increase of 13% and 33% 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 2013-14 the said Company has achieved a turnover of Rs.733.78 crores as compared to Rs.702.38 crores in the previous year and a profit before tax of Rs.1.96 crores.

Chloride International Limited is presently not engaged in any trading or manufacturing

activity and has income from rent and interest on securities. The income of Chloride International Limited during 2013-14 amounted to Rs.0.65 crores with a profit before tax of Rs.0.47 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 2013-14 the said Company achieved a turnover of SGD 32.94 million and profit before tax of SGD 0.1 million.

Espex Batteries Limited, UK, a 100% subsidiary of your Company is engaged in marketing and selling of lead acid batteries for industrial applications. During the 2013-14 the Company achieved a turnover of GBP 4.72 million and made a profit before tax of GBP 80,711.

Your Company also holds 61.5% shares in Associated Battery Manufacturers (Ceylon) Limited, Sri Lanka. The said Company is engaged in the business of manufacturing and marketing of lead acid batteries. During the year 2013-14 the said Company achieved a turnover of SLR 1813 million and made a profit before tax of SLR 110.9 million.

The profit and loss accounts, balance sheet, auditors' report and directors' report of the subsidiaries are not attached to the annual accounts of your Company pursuant to general exemption granted vide general circular number 2/2011 dated 08.02.2011 issued by the Government of India, Ministry of Corporate Affairs in terms of section 212(8) of the Companies Act, 1956. However, the necessary details about the subsidiaries are given in the consolidated financial statements attached to the annual accounts. Further any shareholder of the Company or the subsidiary companies may obtain copies of these documents by writing to the Company Secretary at the registered office of your Company. Copies of the annual account of the subsidiaries would also be available for inspection by any such person at the registered office of your Company on any working day.

Human Resources

Your Company recognizes that nurturing and

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

Industrial relations at all units remained cordial. During the year under review long term agreements were signed with the Trade Unions at Bawal and Hosur plants.

As on 31st March 2014, your Company had 5001 number of employees.

Directors

Mr. Winston Wong, Director retires by rotation at the ensuing Annual General Meeting but has expressed his unwillingness to be re-appointed as a director of the Company. The Board wishes to place on record its appreciation for the services rendered by Mr. Wong during his long association with the Company. Mr. R B Raheja, Director retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

The Companies Act, 2013, prescribes that every listed Public company shall have at least one third of the total number of directors as Independent directors, as specified in the said Act. Such Independent directors shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing of a special resolution by the shareholders. Mr. R G Kapadia, Chairman, Mr. Vijay Aggarwal, Director, Ms. Mona N Desai, Director and Mr. Sudhir Chand, Director have been appointed by the Members at earlier General Meetings as Directors liable to retire by rotation. Since pursuant to the Companies Act, 2013, the Independent Directors are not liable to retire by rotation and are required to be appointed by the Company in General Meeting for a period of five consecutive years, Mr. R G Kapadia, Mr. Vijay Aggarwal, Ms. Mona N Desai and Mr. Sudhir Chand have opted to seek reappointment as Independent

Directors for a period of five consecutive years at the ensuing Annual General Meeting. Notices have also been received in writing from members alongwith deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing the candidatures of each of Mr. R G Kapadia, Mr. Vijay Aggarwal, Ms. Mona N Desai and Mr. Sudhir Chand for the office of Directors of the Company at the ensuing Annual General Meeting. Confirmation has been received from the said Directors that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and in the opinion of your Board they are each persons of integrity and possess relevant expertise and experience for being appointed as Independent Directors.

Auditors

Messrs SRBC & Co. LLP, Chartered Accountants, the Auditors retire at the conclusion of the ensuing Annual General Meeting and have expressed their unwillingness to be reappointed for a further term. A Notice has been received from a shareholder pursuant to Section 140, read with Section 115 of the Companies Act, 2013 proposing a resolution for appointment of Messrs S R Batliboi & Co LLP, Chartered Accountants, as the Auditors of the Company. Messrs S R Batliboi & Co LLP, Chartered Accountants, is a network firm of SRBC & Co LLP. The subject Resolution is appearing as item no. 4 of the Notice convening the Annual General Meeting which forms part of this Annual Report. Messrs S R Batliboi & Co LLP have also given their consent to act as Auditors, if appointed, and confirmed that the appointment, if made, would be in compliance of Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

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, 2014, 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.

Director's 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.

Applicability of the Companies Act, 1956

As clarified by the Government of India, Ministry of Corporate Affairs, vide its General Circular No.08/2014 dated 4th April, 2014, the information given and contents of this Report are governed by the relevant provisions/ Schedules/Rules of the Companies Act, 1956.

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

R G Kapadia
Chairman

Place : Mumbai
Date : 9th May, 2014

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, 2014.

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 2013-2014 are as follows :-

Chinchwad Plant

1. PLC controlled centralized air pulsing unit for bag filter in SLI plant.
2. Installed thyristor switching automatic power factor panel with harmonic filters.
3. Variable frequency drives installed for all dust collector fan motors.
4. Weekly shutdown schedule on off days or paid holidays of all heating zones.
5. Curing cum Drying ovens (5 nos.) Converted to LPG fired from electrical heating system.
6. Drying ovens (5 nos.) converted to LPG fired from electrical heating system.
7. Switching assembly machines automatically to idle mode incase batteries do not reach the machine for more than 2.5 minutes.
8. Power factor maintained above 0.99 thereby getting incentive of Rs. 92.37 Lacs.
9. Optimised use of energy by switching off machines, lights, fans, air conditioners and exhaust systems whenever not required.
10. 100% use of recycled water for gardening and shop floor washing.
11. Reduction in compressed air consumption by arresting air leakages.
12. Installed and commissioned RO plant and used the RO water for generating DM water.

Bawal Plant

1. Power trading increased from 51%(Yr. 2012-13) to 62% (Yr. 2013-14) through which Cost savings increased by 3 times up to Rs. 329 Lacs in the yr. 2013-14 as against Rs. 102 Lacs in the Yr. 2012-13 .
2. Implementation of gravity Feed line Pot system to save Energy per annum up to 2.5 Lac Kwh (Rs.17.5 Lacs/annum)
3. Provide a root blower to replace the compressed air purging in plate washing tank to save energy per annum up to 0.70 Lacs Kwh (Rs. 4.9 Lacs/annum)
4. Provide a root blower to replace the compressed air purging in acid dilution tank to save energy per annum up to 0.46 Lac Kwh (Rs. 3.22 Lacs/annum)
5. Provide a root blower to replace the compressed air purging in acid filling to save energy per annum up to 0.46 Lac Kwh (Rs. 3.22 Lacs/annum)
6. Implementation of LED (Energy saving) light in-place of SVL to save energy per annum up to 0.81 Lac Kwh (Rs.5.67 Lacs/annum)

Hosur Plant

1. 7 KW Solar Street lighting system implemented.
2. Converted Electric fired lead melting pots in Oxide Mills to LPG Heating in both VRLA & Auto plants.
3. Interlocking of ON/OFF switching function of bag filters, cooling towers, conveyors & fume killers with the respective machines to reduce power consumption during machine idle time/off-production time. By implementing the above 3 activities we achieved energy saving to the tune of 2.73 Lac units, this has yielded a saving of Rs. 22 Lacs / Annum in Energy cost.
4. Deemed demand saving in power achieved by effectively purchasing power from 3rd parties to the tune of Rs. 72 Lacs / Annum.
5. Demand saving of Rs. 36 Lacs achieved by effectively managing the bulk loads with help of system based control mechanism and proper scheduling of plant/equipment loads across the month - based on market demand.
6. By continuous negotiation with various 3rd party power generators and keeping the budgetary energy consumption within plant budget through system based monitoring mechanism, a saving of Re. 0.38 / KWHR has been achieved against budget. This has yielded a saving of Rs. 207 Lacs in energy cost.
7. 400 Kg Bio-gas plant is commissioned for the kitchen waste utilization, which was earlier disposed to piggeries. We produce methane gas around 35 Kg/day resulting in saving of Rs. 3.80 Lacs / Annum. Energy Audit conducted by Schneider and identified energy conservation projects will be implemented in the Q1 of 2014-15.

Taloja Plant

1. Maintaining Power Factor as unity throughout the year resulted in saving of Rs.33.7 Lacs.
2. Optimisation/Reduction in charging cycle time by using pulse charging at JF resulting in saving of Rs. 19.63 Lacs.
3. Optimization of use of DG's by proper Load Sharing resulted in saving of Rs. 6.35 Lacs /Annum
4. Switching -Off the JF / Formation rectifier to avoid energy loss due to no load losses in the transformers, resulted in savings of Rs. 7.25 Lacs.
5. Use of Star Delta Convertor to conserve energy in blowers of E-Bike Formation and optimization of motor in formation resulted in saving of Rs. 7.45 Lacs.
6. Reduction in LPG consumption by 4.55 % by modification in LPG distribution line.
7. Extension of common Steam generator for all the E-Bike Curing Chambers resulted in saving of LPG cost by Rs. 4.5 Lacs / annum.
8. Cycle time reduction in curing process resulting in savings of Rs. 12.24 Lacs per annum.
9. Automatic switching of Cooling Tower Motor and Fresh Air Blower during shift change resulted in saving of Rs. 3.36 Lacs.
10. Use of Z conveyor & elimination of bottom electrical heating pot in the Casting Section achieved saving of 103200 KWH per annum & Rs. 7.48 Lacs.
11. Replacing tube lights by CFL Bulbs at Casting, Pasting, New Mezzanine Building, Dispatch line.
12. Replacing tube lights by T5 energy efficient light in Auto Assembly, Office, Charging & Pasting.
13. Reduction in lighting load consumption by 4% by using energy efficient lights in Auto shed & Solar street light.
14. Reduction in no load electricity losses by replacing old inefficient rectifier transformer with high efficient transformer resulted into saving of Rs. 4.25 Lacs.
15. 100 % use of recycled water for gardening and floor washing.
16. Day light improvement by use of transparent sheet in E-Bike Charging, E-Bike Formation, Pasting, Drying and Dispatch area.
17. Increasing in 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 Rs. 2.44 lacs per annum.
2. Installation of 60 nos LED lights in place of conventional MV lights resulting in energy savings of 0.3456 lacs Kwh (Rs. 2.37 lacs) per annum.
3. Installation of additional 500 Kvar capacitor banks to improve power factor resulting in cost savings of Rs. 75.60 lacs per annum.
4. Interlocking of high capacity dust extraction blowers with respective machines to reduce idle running resulting in energy savings of 1.20 lacs Kwh (Rs. 8.23 Lacs) per annum.
5. Installation of maximum demand controller in HT substation to restrict maximum demand resulting in cost savings of Rs. 15.40 Lacs per annum.
6. Installation of VFD in 2 high capacity blowers resulting in energy savings of 1.61 lacs Kwh (Rs. 11.20 lacs) per annum.
7. Installation of 1 no. energy efficient screw compressor in place of old reciprocating compressor resulting in energy savings of 1.08 lacs Kwh (Rs.7.40 Lacs) per annum.
8. Re-insulation of 5 lead melting Pots resulting in energy savings of 0.70 lacs Kwh (Rs. 4.73 Lacs) per annum.
9. Discontinuation of 2 650 KVA old transformer by redistribution of electrical loads resulting in cost savings of Rs. 5.07 lacs per annum.
10. Replacement of 30 old air conditioners with energy efficient (Star rated) air conditioners resulting in cost savings of Rs. 2.78 Lacs per annum.
11. Reduction in LPG pressure from 15 psi to 12 psi resulting in cost savings of Rs.51.20 Lacs per annum.
12. Stopping of steam in curing cubicles by using air-atomizer resulting in cost saving (Furnace oil) of Rs. 27.90 Lacs per annum.
13. Recovery of pickling acid and reuse of the same in pickling process resulting in cost saving of Rs. 35.00 Lacs per annum.
14. Use of low pressure high volume root blowers in air agitation operation resulting in energy saving of Rs. 2.50 Lacs per annum.

Haldia Plant

1. Achieved and maintained Power factor of the plant at around 0.995 by installation and commissioning of additional 1 x 1000 KVAR, 2 X 100 KVAR capacity Capacitor banks with Automatic Power factor controllers and harmonic filters. Annual saving in electricity bill (through rebate): Rs. 330.60 Lacs.
2. Achieved load factor of the plant at an average of 77% by controlling maximum demand of the plant through Demand controllers and optimum utilisation of the machines as per production plan. Annual savings in electrical bill (through rebate): Rs. 412.07 Lacs.
3. Installation and commissioning of Thyristor controlled panel for lead pot heating system at Ball mill, Auto Spine Casting instead of electrical contactor logic system. Annual savings: Rs. 2.75 Lacs.
4. Installation of 90W LED lights in place of 250W HPMV lights for street lighting inside factory premises. Annual savings: Rs. 0.70 Lacs.

5. Installation of 28 watt T 5 energy saver lights instead of conventional 40 watt fluorescent lamps & 150 watt HPLN lamp in offices and shop floor. Annual savings: Rs. 1.53 Lacs.
6. Installation of 156 translucent sheets at various locations in the shop floor to improve day light and better working environment. Annual savings: Rs. 2.52 Lacs.
7. Installation of Light detecting sensor for automatic switching ON/OFF of shop floor lights. Annual savings: Rs. 1.25 Lacs.
8. Electrical interlocking of fresh air blower and exhaust blower with production machines to avoid idle running during non-productive hours. Annual savings: Rs. 0.85 Lacs.
9. Installation of Lobo blowers at Industrial factory to reduce the use of compressed air. Annual savings: Rs. 1.0 Lacs.
10. Installation of LPG pressure regulator to reduce LPG pressure at Industrial Grid casting machines. Annual savings: Rs. 1.0 Lacs.
11. Reductions of water consumption by using RO reject water for lime mixing at Industrial ETP. Annual savings: Rs. 1.25 Lacs.

Ahmednagar Plant

1. Maintain Power factor close to unit.
2. Interlock between ESP unit & heat seal machines established to optimize power usage.
3. Installed ducting line in the side of hot exhaust air of Air Compressor which does not contribute to the increase of inlet air temperature thereby reduction in power consumption.
4. Adopt standard practices of switching off power supply of Forming & Charging panel when not in use in order to avoid transformer losses.
5. Replaced lead pot feedline of 9Kw by new feedline of 3Kw capacity to minimize power consumption & heat loss.
6. Modify feedline by making provision of thermocouple in the middle section which reduces switching on time of heater & avoids overheating of the feedline.
7. Interlock between Ball Mill cooling tower & Ball Cutting machine established to optimize power usage.
8. Digital Timer provided in all blowers and scrubbers so that during recess hours it stops automatically.
9. Energy audit conducted & it is in the stage of implementation.
10. Cooling tower fan and circulating water pump have been interlocked with temperature so that only with rise in temperature the equipment would start operating.
11. Used VFD for Casting blower which saves power by 10%.
12. Used Energy efficient light fitting for street light.

Roorkee Plant

1. Over-flow water control valve implemented at main water tank to conserve electricity as well as eliminate wastage of water.
2. Minimum usage of diesel by operating plant maximum on electricity by adjusting working hours.
3. All bulbs have been replaced by CFL in the plant.
4. All designated responsible person in each department sign a Record Format at gate before leaving the plant.

Haridwar Plant

1. Proper distribution & reduction of wire length of three phase line to entire plant by implementing LT Panel & Cable tray.
2. Reduction of power line losses by implementing Cu power cables after replacing Al cable from LT panel to all floors and machines.
3. More safe operation of Electrical distribution by implementing VCB Panel, Cubical Metering Unit and New 500KVA Power Transformer.
4. Elimination of DG operation due to Low voltage by implementing Servo Stabilizer.
5. Proper load distribution of two DG sets at all three floors.
6. Cost reduction in water meter by implementing auto level controller from Rs.3500/- per month to Rs.2500/- per month.
7. Raising Power Factor from 0.75 to 0.94 by implementing APFC Panel.

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 R&D 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 the technology /market leadership in several product ranges. During the year under review, new products developed under automotive segment includes long life flat plate inverter batteries "Invasmart" and "Power Punch" in Exide and SF brand in the range of 80 -150 Ah and Power Star, a flat plate gel battery for inverter application. Further, new range of Solar batteries under the name of "Kiran" and "Sunny" in Exide and SF Brand with 20 -150 Ah capacity were developed. Moreover, low cost products for trade market under brand name of "Boss" in the range of 35 - 150 Ah were also developed. Repositioning was undertaken for entire trade products with new cosmetics. Development of new products for OEMs-DIN60 for Renault, MHD1650 and 2000 for Daimler, 50D26 for Tata Motors have been completed.

In addition to above new products, few changes in manufacturing processes have been introduced to extend the battery life for commercial and heavy duty applications, after completion of bench scale validation of changes in proto type scale.

A customised battery system, based on the tubular-gel technology, has been developed for application in rural telecom tower application. The features of the offered product are such that it would completely eliminate the need of any DG set backup, as is the current practice, in such locations and thereby help significantly reduce the consumption of diesel fuel across the country and also help in improving the carbon credits.

A3. Future Action Plan

Research and Development would continue to be a major focus area for the Company. 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 batteries and mild hybrid. VA/VE projects are also being given priority. Upcoming projects include rechargeability 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 business the focus shall continue to be towards 'India-specific' technologies that would best address the typical demands that exist in various segments 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. In association with external academic and/or research institutions, an investigation into adaptability of alternate energy storage electrochemistry for the typical Indian standby power segment has also been initiated.

In line with the Government of India's ambitious plan of integrating large scale renewable energy into the grid along with the promotion of the concept of 'Smart Grids', R&D is presently working closely with the collaborators and other associates to develop appropriate Energy Storage Systems, that may be going beyond conventional lead-acid technology and looking at advanced versions and/or non-lead acid solutions.

A4. Expenditure on R&D

The capital and revenue expenditure on R&D were Rs 3.05 crores and Rs 9.67 crores respectively, aggregating to Rs 12.72 crores.

Total R&D expenditure as percentage of Net Turnover: 0.21%

B1. Technology Absorption, Adaptation and Innovation

The Agreements with the Foreign Collaborators cover not only imports of new technology but also 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 to improve 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.

B.3 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 with 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 manufacturing 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 with 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 manufacturing 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 with Furukawa Battery Co Ltd., Japan for Taloja, Bawal and Ahmednagar Plants.	9th March, 2007. Currently valid upto 31st March, 2015.	Being absorbed. The Agreement also provides support for future product improvements.	Since the technology is continuously evolving, the Agreement will be ongoing.
Deep Cycling E-bike batteries for Electric Bicycles and Scooters with Changxing Noble Power Sourcing Co. Ltd., China.	15th June, 2008, valid upto 14th June, 2010.	Mostly absorbed.	Not Applicable.
Automotive batteries for Idling Stop System with 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 used for automotive, industrial, motor cycle and other applications, with East Penn Manufacturing Co., USA.	15th January, 2012 valid upto 14th January, 2017.	In Progress.	Still under development.
Special Conventional Batteries for Automotive applications with Shin-Kobe Electric Machinery Co. Ltd. Japan.	3rd February, 2013 valid upto 2nd February, 2023.	In Progress.	Still under development.

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 motorcycle batteries continued during the year. Successful inroads were made for export of automotive batteries in Cambodia, Vietnam, Yemen and Tanzania. Your company received its first order from one of the largest auto parts franchisor in Spain. Batteries for buses of SBS Bus Company and for taxis of Comfort Taxi Company in Singapore continued to be supplied by your Company.

In Industrial batteries apart from its traditional markets, successful inroads were made in Spain, Russia, Uganda, Turkey in addition to further consolidation in African market. Major focus was on batteries for Solar and Inverter applications and Inverter range. The Company won a prestigious order for supply of the newly launched tubular gel maintenance free battery for solar applications for a South African project. During the year your Company also supplied batteries for a solar project in Togo, Africa.

2. Total Foreign Exchange used and earned :

Used : Rs. 754.67 crores

Earned : Rs. 171.76 crores

On behalf of the
Board of Directors

Place : Mumbai

Date : 9th May, 2014

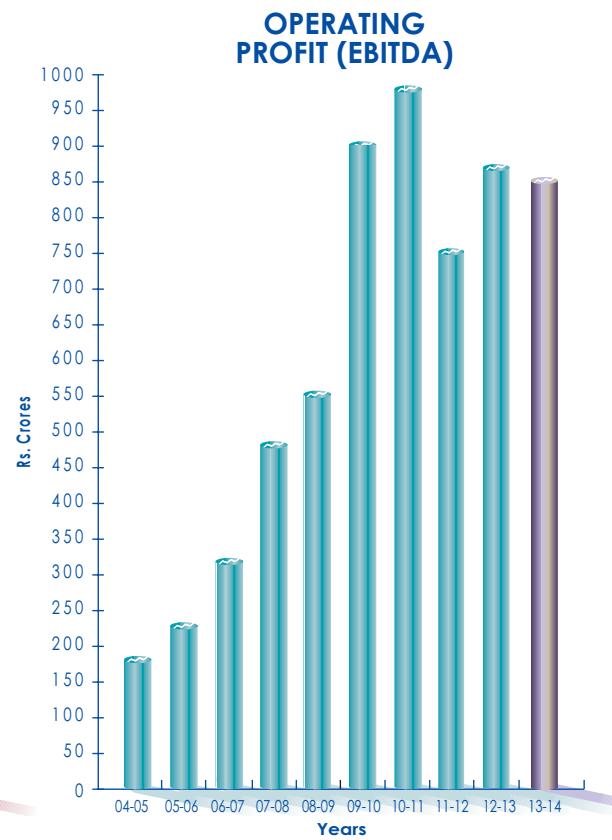
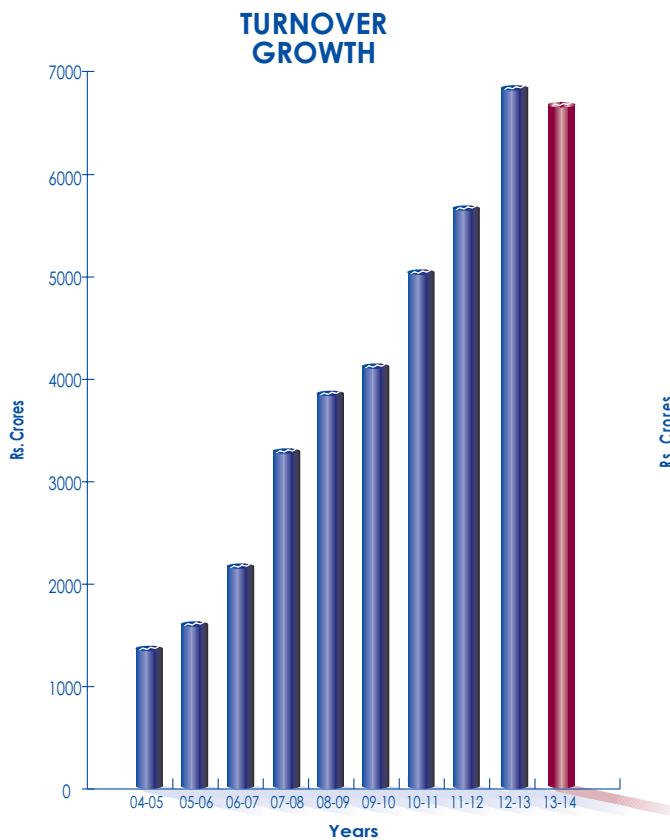
R G Kapadia
Chairman

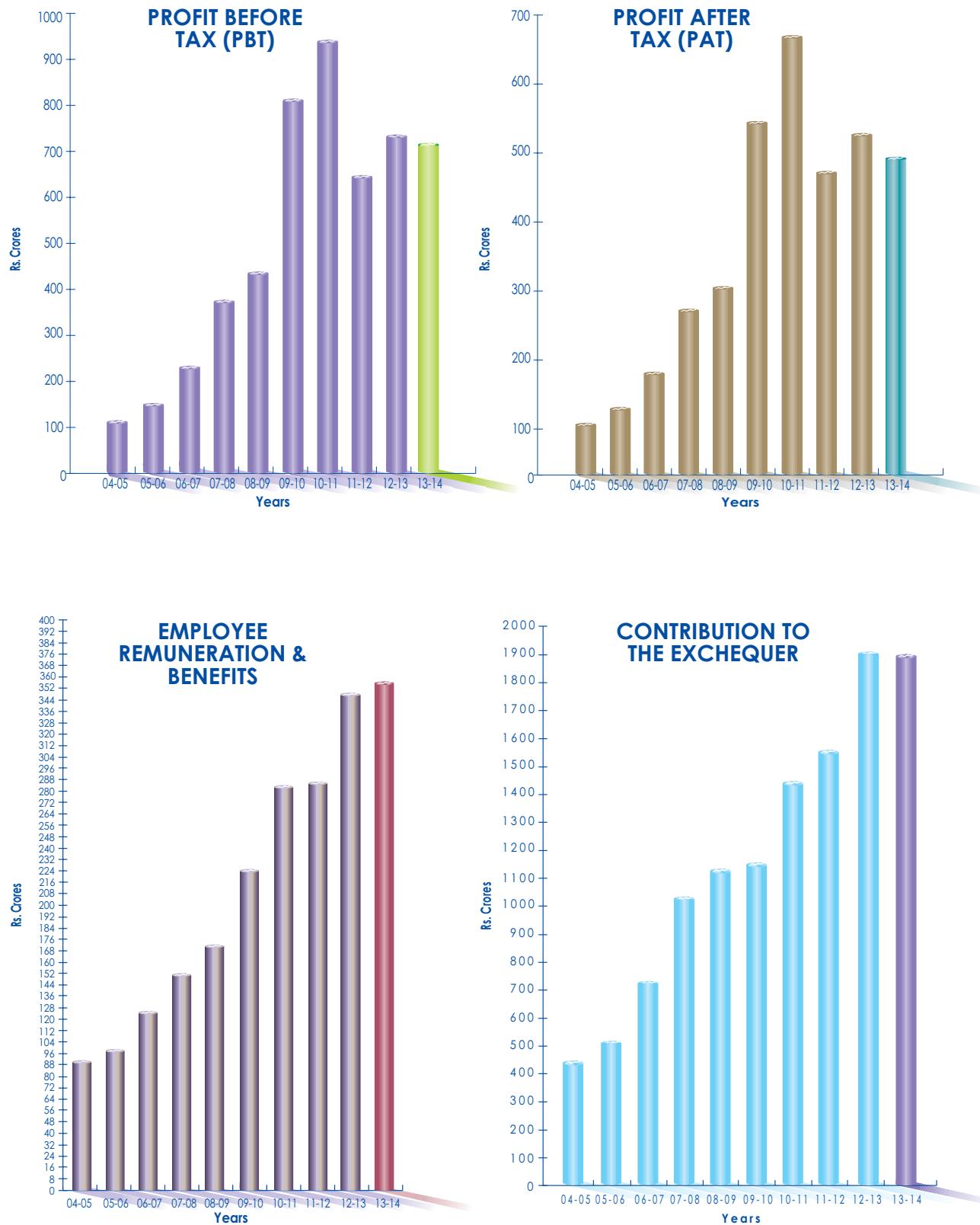
A DECADE IN RETROSPECT

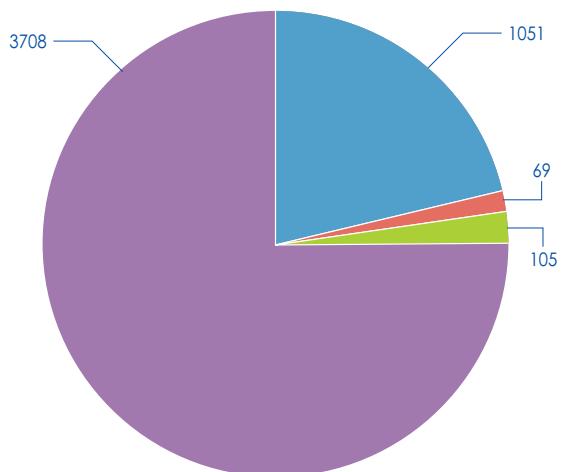
■ Top-Line grown by	20%
■ Operating Profit (EBITDA) grown by	19%
■ PBT grown by	23%
■ Net Profit grown by	23%
■ Market Capitalisation grown by	29%

Growth Figures Indicate CAGR

FINANCIAL TRENDS



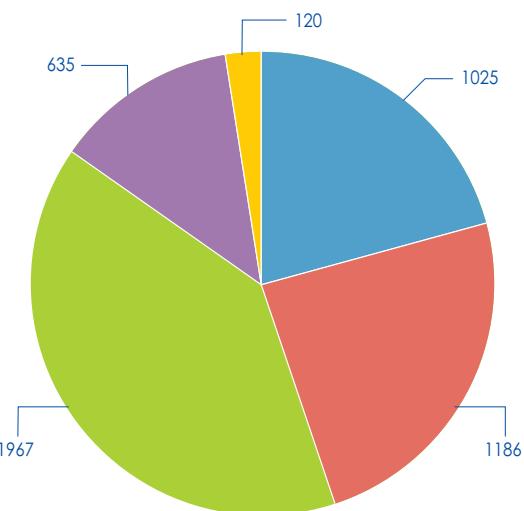




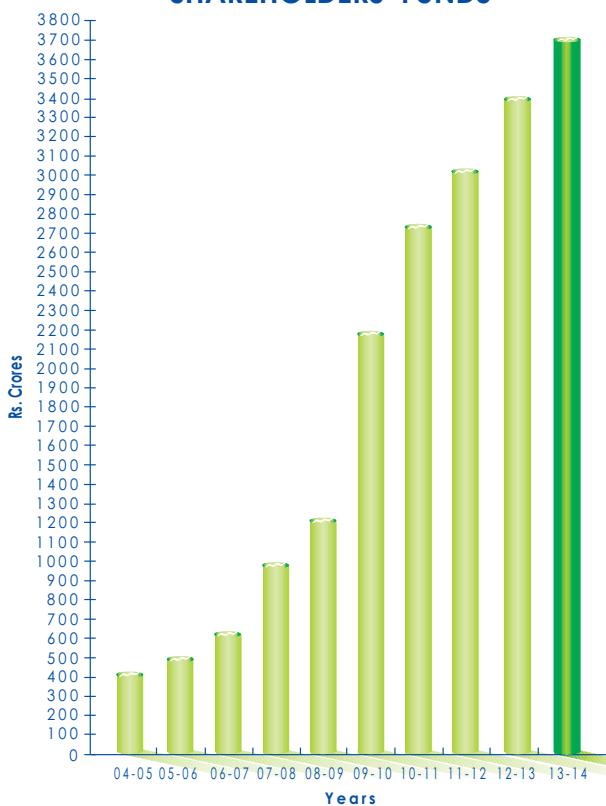
SOURCES OF FUNDS	
	(Rs. Crores)
Payable for Goods supplied & services rendered	1051
Proposed Dividend (including Tax on Dividend)	69
Deferred Tax Liability	105
Shareholders' Funds	3708
Total	4933

APPLICATION OF FUNDS

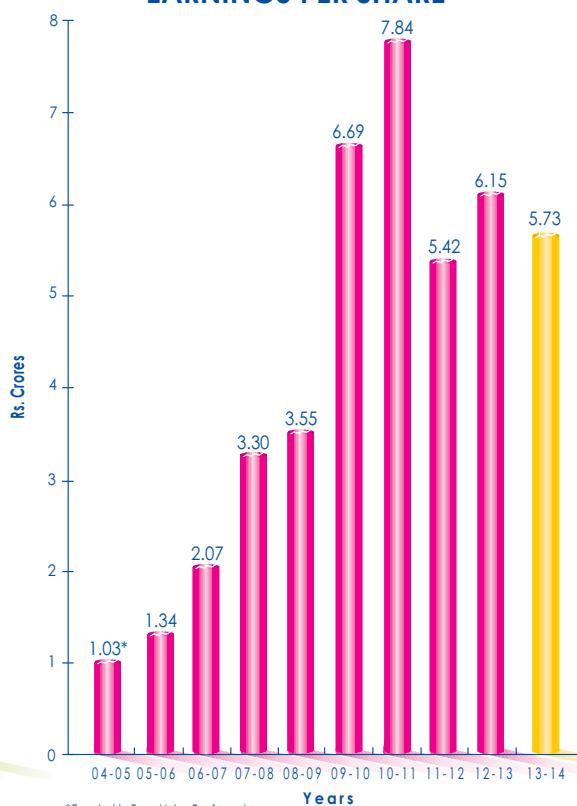
	(Rs. Crores)
Fixed Assets	1025
Inventories	1186
Investments	1967
Customers and Others	635
Cash & Bank Balances	120
Total	4933



SHAREHOLDERS' FUNDS



EARINGS PER SHARE



*Equated to Face Value Re. 1 per share.

TEN YEARS AT A GLANCE

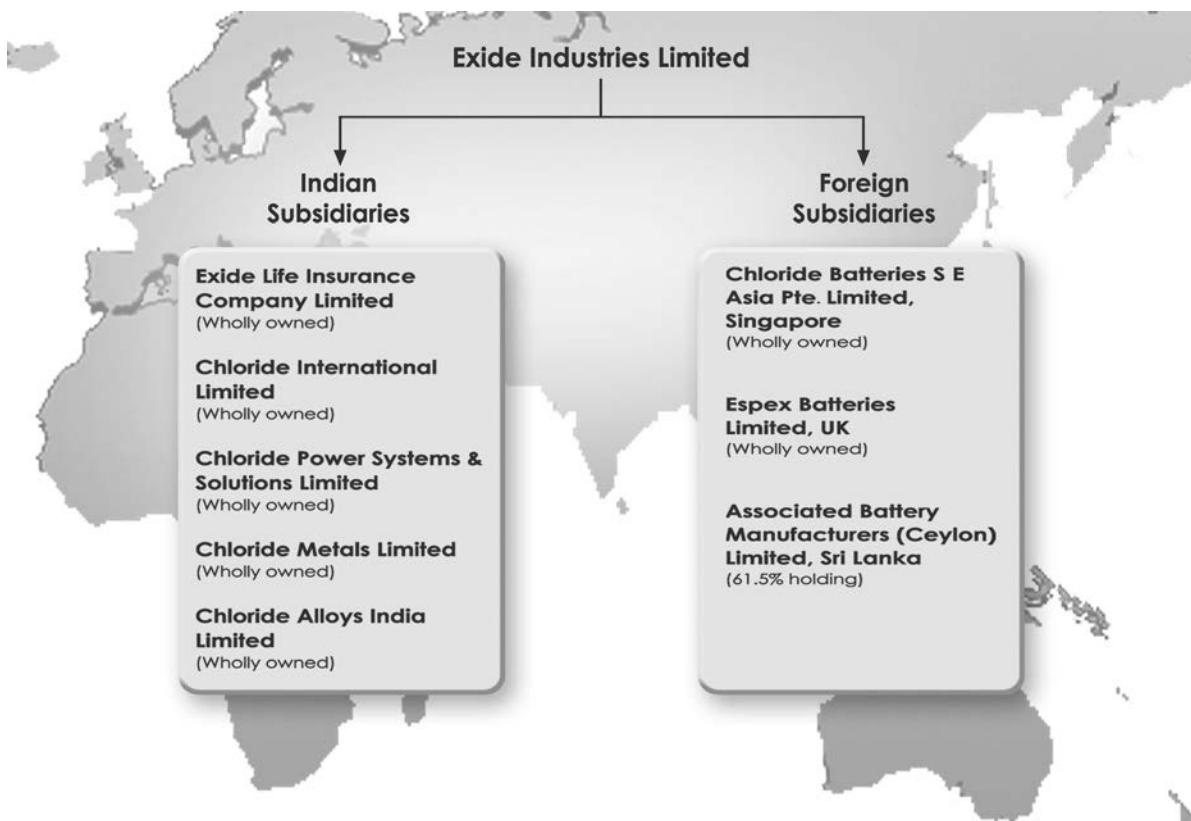
	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	(Rs. Crores)
Sales (Gross)	6755	6862	5672	5040	4122	3857	3294	2170	1606	1368	
Operating Profit	850	860	751	983	902	551	476	317	229	182	
Profit before Tax	723	742	645	940	811	435	374	235	152	115	
Taxation	236	219	184	274	274	151	124	80	51	38	
Net Profit	487	523	461	666	537	284	250	155	101	77	
Cash Profit	613	636	562	750	618	352	315	209	156	131	
Annualised Earning per Share (Rs.)	5.73	6.15	5.42	7.84	6.69	3.55	3.30	+2.07	13.43	10.30	
Dividend	178	156	145	140	95	56	37	31	26	21	
Balance Sheet											
Net Fixed Assets*	1025	1028	967	874	685	653	565	455	408	428	
Investments	1967	1640	1555	1378	1335	668	518	378	279	112	
Current Assets	1941	1856	1547	1329	912	742	877	572	440	458	
Total Assets	<u>4933</u>	<u>4524</u>	<u>4069</u>	<u>3581</u>	<u>2932</u>	<u>2063</u>	<u>1960</u>	<u>1405</u>	<u>1127</u>	<u>998</u>	
Loans	-	-	-	2	90	317	350	325	290	290	
Current Liabilities	1120	1027	954	796	593	487	572	407	282	220	
Sub Total	<u>1120</u>	<u>1027</u>	<u>954</u>	<u>798</u>	<u>683</u>	<u>804</u>	<u>922</u>	<u>732</u>	<u>572</u>	<u>510</u>	
Deferred Tax Liability	105	98	83	68	59	41	48	45	51	59	
Net Worth*	3708	3399	3032	2715	2190	1218	990	628	504	429	
Total Liabilities	<u>4933</u>	<u>4524</u>	<u>4069</u>	<u>3581</u>	<u>2932</u>	<u>2063</u>	<u>1960</u>	<u>1405</u>	<u>1127</u>	<u>998</u>	
Book Value Per Share (Rs.)**	43.62	39.99	35.67	31.94	25.76	15.22	12.37	8.37	6.72	5.72	
Return on Networth (%)	14.3	17.2	17.0	30.4	44.1	28.7	39.9	30.8	23.5	23.1	

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

Dividend :

The Board has recommended a final dividend of Re. 0.70 per share (70%) subject to approval of the shareholders at the ensuing Annual General Meeting. Together with interim dividend of Rs. 1.10 per share (110%) paid on November 12, 2013 the total dividend for the year works out to Rs. 1.80 per share (180%) [previous year 160%].

REPORT ON CORPORATE GOVERNANCE

Governance Philosophy

The Company's approach and commitment to ethical Corporate Governance remains unchanged in its 67-years of existence. The underlying principles and core values still guide the Company in all its executive decision making processes.

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

Exide's principles of Corporate Governance are based on the philosophy of empowerment and responsibility. It feels the Management must be empowered to drive the 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 if proper checks and balances are worked into the system of functioning, then the Company's executive decision making becomes more process driven than individual driven and there are minimal chances of abuse of authority.

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

The tenet of Trusteeship dictates that the Board of Directors will protect and enhance shareholder value as well as discharge the Company's obligations to all the other

stakeholders. The Company's role in the economic and social spheres will be fulfilled under this tenet.

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

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

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

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

The Governance Structure

The following three interlinked levels within Exide practice Corporate Governance:

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

The structure ensures that at the ground level the executive management of the divisions are focused on embellishing the quality, efficiency and effectiveness of each business vertical. This level functions under the strategic day to day management of the Executive Committee that has under its ambit the overall vision of the entire organisation. Above both these is the Board of Directors that

provides the strategic supervision on behalf of the shareholders. The Board is free from the task of strategic management but has the larger role of guiding the executive management with objectivity so that accountability is ensured at all levels.

The central role of these three entities is dependent on the structure. Their role, in turn 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 25th April, 2014 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 P K Kataky	Executive Director	3	1	Nil
Mr G Chatterjee	Executive Director	4	1	Nil
Mr A K Mukherjee	Executive Director	3	3	Nil
Mr Nadeem Kazim	Executive Director	3	1	Nil
Mr Subir Chakraborty	Executive Director	2	Nil	Nil
Mr Vijay Aggarwal	Independent Non-Executive Director	5	2	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 Shareholder's Grievance Committee.

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

Appointment/Re-appointment of Directors

Mr R B Raheja, Director, retires by rotation in accordance with the provisions of the Companies Act, 2013 and, being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. Mr Winston Wong, Director, also retires by rotation in accordance with the provisions of the Companies Act, 2013, at the ensuing Annual General Meeting and has expressed his unwillingness to be re-appointed.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, Mr R G Kapadia, Mr Vijay Aggarwal, Ms Mona N Desai and Mr Sudhir Chand, who were appointed by the members as Directors liable to retire by rotation, are proposed to be appointed as Independent Directors of the Company, not liable to retire by rotation for a period of five consecutive years upto the conclusion of the Annual General Meeting scheduled to be held in the calender year 2019.

A brief Resume of the Directors proposed to be appointed/reappointed, alongwith the particulars of Directorships held by them, has been appended to the Notice for the Annual General Meeting.

Ms Mona N Desai holds 78666 equity shares and Mr Sudhir Chand holds 18872 equity shares in the Company. Mr R B Raheja, Mr R G Kapadia and Mr Vijay Aggarwal do not hold any equity shares in the Company.

Meetings and Attendance

During the financial year ended 31st March, 2014, five Board Meetings were held on 29th April, 2013, 1st July, 2013, 15th July, 2013, 23rd October, 2013 and 13th January, 2014 respectively. The previous Annual General Meeting was held on 16th July, 2013.

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

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

* Mr T V Ramanathan retired from the services of the Company with effect from the close of business on 30th April, 2013.

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, 2014, four meetings of the Audit Committee were held on 29th April, 2013, 15th July, 2013, 23rd October, 2013 and 13th January, 2014 respectively.

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

The representative(s) of the Statutory Auditors attended four 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 P K Kataky, Mr Vijay Aggarwal, Ms Mona N Desai and Mr S Chand.

Attendance

During the financial year ended 31st March, 2014, one meeting of the

Remuneration Committee was held on 29th April, 2013 :

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

Remuneration of Non-Executive Directors

None of the Non-Executive Directors, except Mr R G Kapadia, receive any remuneration from the Company apart from sitting fees. With effect from 1st April, 2013, Mr R G Kapadia is entitled to a remuneration by way of commission upto 1% of the net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 1956, subject to a maximum of Rs. 40,00,000 per annum, in addition to the sitting fees for attending the meetings of the Board of Directors and Committees thereof.

Remuneration of Executive Directors

All the Executive Directors of the Company have been appointed on contractual basis. The details of remuneration paid to Executive Directors for the year ended 31st March, 2014 are given herein below :

Name of Director	Salary & Performance Bonus	Contribution to referral funds	Perquisites & other benefits	Commission	Total
Mr T V Ramanathan*	13,90,000	2,34,007	2,34,983	6,95,000	25,53,990
Mr P K Kataky	1,54,50,000	31,86,008	15,91,497	39,00,000	2,41,27,505
Mr G Chatterjee	1,37,00,000	31,64,665	16,55,512	43,75,000	2,28,95,177
Mr A K Mukherjee	78,65,000	18,19,073	11,79,026	33,00,000	1,41,63,099
Mr Nadeem Kazim	52,47,000	12,13,332	9,98,403	22,00,000	96,58,735
Mr Subir Chakraborty	41,80,000	8,74,703	9,70,070	11,40,000	71,64,773

*Mr T V Ramanathan retired from the services of the Company with effect from the close of business on 30th April, 2013.

Shareholding of Non-Executive Directors

Name of Director	No. of shares held as on 31st March, 2014
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 P K Kataky 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 2013-2014, a Meeting of the Shareholders' Grievance Redressal Committee was held on 13th January, 2014 :

Name of Director	Number of meetings attended
Mr S Chand	1
Mr P K Kataky	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, 2014 :

Number of complaints at the beginning of the year	Nil
Number of complaints received	26
Number of complaints redressed	26
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 P K Kataky, Mr G Chatterjee, Mr A K Mukherjee and Mr Nadeem Kazim. The Committee approves the transfer/transmission of shares, sub-division or consolidation of shares and issue of new/duplicate share certificates, etc.

Attendance

During the financial year ended 31st March, 2014, twenty five meetings of the Share Transfer Committee were held on 2nd April, 2013, 17th April, 2013, 2nd May, 2013, 16th May, 2013, 31st May, 2013, 14th June, 2013, 1st July, 2013, 17th July, 2013, 2nd August, 2013, 17th August, 2013, 2nd

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September, 2013, 17th September, 2013, 1st October, 2013, 8th October, 2013, 23rd October, 2013, 6th November, 2013, 20th November, 2013, 3rd December, 2013, 18th December, 2013, 2nd January, 2014, 17th January, 2014, 1st February, 2014, 15th February, 2014, 3rd March, 2014 and 18th March, 2014 respectively :

Name of Director	Number of meetings attended
Mr T V Ramanathan*	2
Mr P K Kataky	23
Mr G Chatterjee	23
Mr A K Mukherjee	24
Mr Nadeem Kazim	21

* Mr T V Ramanathan retired from the services of the Company with effect from the close of business on 30th April, 2013.

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 P K Kataky, Mr G Chatterjee, Mr A K Mukherjee and Mr Nadeem Kazim.

Attendance

During the financial year ended 31st March, 2014, seven meetings of the Committee were held on 3rd April, 2013, 16th May, 2013, 2nd September, 2013, 25th September, 2013, 20th November, 2013, 23rd January, 2014 and 4th March, 2014 respectively :

Name of Director	Number of meetings attended
Mr T V Ramanathan*	1
Mr P K Kataky	7
Mr G Chatterjee	5
Mr A K Mukherjee	7
Mr Nadeem Kazim	5

* Mr T V Ramanathan retired from the services of the Company with effect from the close of business on 30th April, 2013.

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, 2014, eight meetings of the Executive Committee were held on 10th May, 2013, 20th June, 2013, 16th August, 2013, 20th September, 2013, 13th November, 2013, 11th December, 2013, 17th February, 2014 and 13th March, 2014 respectively.

The names of members of the Executive Committee as on 31st March, 2014 and the number of Meetings attended by them during 2013-2014 are as follows :

Name	Number of meetings attended
Mr P K Kataky	8
Mr G Chatterjee	8
Mr A K Mukherjee	8
Mr Nadeem Kazim	8
Mr Subir Chakraborty	8
Mr S Coomer	7

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings :

AGM	Year Ended	Venue	Date	Time
64th	31.03.2011	Kala Mandir 48 Shakespeare Sarani Kolkata- 700 017	21.07.2011	09:30 AM
65th	31.03.2012	Do	17.07.2012	10.30 AM
66th	31.03.2013	Do	16.07.2013	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
21st July, 2011	None	Not Applicable
17th July, 2012	None	Not Applicable
16th July, 2013	Payment of Commission to Non-Executive Chairman	309 and 314

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
The Mint

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

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

D. Whether Official news Releases and

Presentations made to Institutional Investors/Analysts are posted on the website of the Company : Yes

GENERAL SHAREHOLDER INFORMATION

1. The 67th Annual General Meeting is proposed to be held on Tuesday, 22nd July, 2014 at 10:00 a.m. at 'Kala Mandir', 48, Shakespeare Sarani, Kolkata - 700 017.
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 appointment of a new director/re-appointment of retiring directors. Shareholders may kindly refer to the Notice convening the 67th Annual General Meeting of the Company. The name of other companies in which the retiring directors hold directorship and the membership of Committees of the Board are also given in the annexure to the Notice convening the 67th Annual General Meeting.

1. Tentative Financial Calendar for 2014-15

First Quarterly Results	July, 2014
Second Quarterly/Half Yearly Results	October, 2014
Third Quarterly Results	January, 2015
Annual Results for the year ending on 31st March, 2015	April, 2015
Annual General Meeting for the year ending on 31st March, 2015	July, 2015

2. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 15th July, 2014 to 22nd July, 2014 (both days inclusive)

3. Dividend Payment Date

During the financial year 2013-2014, the Company paid an interim dividend @ Rs. 1.10 per equity share, to its shareholders.

The Final Dividend @ Re. 0.70 per equity share as recommended by the Board at its meeting held on 25th April, 2014 for the year ended 31st March, 2014, if approved by the shareholders at the ensuing Annual General Meeting to be held on 22nd July, 2014, will be paid within 30 days from the date of the Annual General Meeting.

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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	-
BSE Limited	500086	-
National Stock Exchange of India Limited	-	EXIDEIND

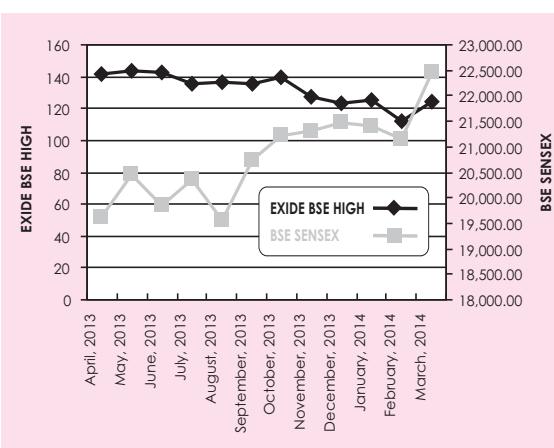
5. Stock Market price data for the year on BSE, NSE & CSE

Month	BSE(#)		NSE(#)		CSE*	
	High Rs.	Low Rs.	High Rs.	Low Rs.	High Rs.	Low Rs.
April 2013	142.00	115.35	141.90	115.65	*	*
May 2013	143.30	130.90	144.35	130.85	*	*
June 2013	142.35	116.75	142.35	116.50	*	*
July 2013	135.30	118.15	135.25	118.00	*	*
August 2013	136.20	118.40	136.50	118.40	*	*
September 2013	136.00	121.45	136.00	121.20	*	*
October 2013	139.20	121.00	139.10	121.20	*	*
November 2013	127.10	110.50	127.00	110.30	*	*
December 2013	123.50	111.80	123.65	111.75	*	*
January 2014	125.40	99.05	125.40	99.00	*	*
February 2014	111.85	100.80	112.00	100.60	*	*
March 2014	124.75	109.00	124.70	108.75	*	*

(#) Source BSE and NSE Website

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

9. Nomination Facility

Pursuant to 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 2013	7	93061
May 2013	18	12540
June 2013	2	6640
July 2013	10	21500
August 2013	2	2279
September 2013	3	6209
October 2013	3	6259
November 2013	28	3972
December 2013	6	1494
January 2014	6	21585
February 2014	3	3920
March 2014	6	4685

11. Distribution of Shareholding as on 31.03.2014

Range	No. of shares of face value of Re.1/- each	% of Total shares	Total no. of holders	% of Total holders
1 5000	34675987	4.08	87663	95.72
5001 10000	15168730	1.78	2150	2.35
10001 20000	13324297	1.57	960	1.05
20001 30000	6621632	0.78	273	0.30
30001 40000	4753064	0.56	135	0.15
40001 50000	3446775	0.41	77	0.08
50001 100000	8709146	1.02	127	0.14
100001 & above	763300369	89.80	196	0.21
TOTAL	850000000	100.00	91581	100.00

12. Shareholding Pattern of the Company as on 31.03.2014

Category	No. of shares	% of total issued shares
Promoter Holding	390954666	45.99
Foreign Institutional Investors	146635153	17.25
Non Resident Individual	3200726	0.38
Mutual Funds	35271930	4.15
Financial Institutions, Insurance Companies & Banks	110722644	13.03
Public	89215046	10.50
Bodies Corporate	73463014	8.64
Directors & their relatives	536821	0.06
Total	850000000	100.00

13. Dematerialization of Shares

As on 31st March, 2014, 97.84% of the Company's total shares representing 83,16,45,660 shares are held in dematerialized form and 2.16% representing 1,83,54,340 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 : 27.09.2013 of Cost Audit Report for 2012-2013

Actual date of filing : 23.08.2013 the Cost Audit Report for 2012-2013

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, Chowinghee Road, Kolkata- 700 020.

EXIDE INDUSTRIES LIMITED

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 6725/
2280 6692/2287 0263
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 2013-2014 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, 2014, 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 No. : 58652

Place : Mumbai

Date : 25th April, 2014

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

The Board of Directors
Exide Industries Limited
Exide House
59E, Chowinghee Road
Kolkata - 700 020

We, P K Kataky, 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, 2014.

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
Date : 25.04.2014

P K Kataky
Managing Director & CEO

A K Mukherjee
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, 2014.

Place : Mumbai
Date : 25.04.2014

P K Kataky
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 - 700 020, West Bengal, India
4. Website : www.exideindustries.com
5. E-mail ID : exidecorp@exide.co.in
6. Financial Year Reported : 2013-14
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

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

8. List three key products/services that the Company manufactures/provides (as in balance sheet):
 - a. Electric storage batteries used for starting piston engines
 - b. Other Lead-Acid Accumulators
 - c. Home UPS Systems
9. Total number of locations where business activity is undertaken by the Company
 - i. Number of International Locations : Sri Lanka, Singapore and 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 : Rs. 85 crores
2. Total Turnover : Rs. 5964.24 crores (Net)
3. Total profit after taxes : Rs. 487.08 crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax : 0.20%
5. List of activities in which expenditure in 4 above has been incurred :
 - a. Child health improvement schemes undertaken through UNICEF, Child health improvement project in the slums of Eastern Calcutta undertaken through CINI-Asha and other miscellaneous community oriented activities in and around the factory locations all over India e.g. school building infrastructure and providing computers and books for students, creating safe drinking water facilities, assistance for maintenance of roads, providing support to self-help groups for women etc.

Section C : Other Details

1. Does the Company have any Subsidiary Company/Companies ?

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

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

Some of the Business Responsibility initiatives of the Company also cover the activities of certain subsidiaries. Additionally, the Company also encourages its subsidiaries to formulate and practise their own BR initiatives based on their individual priorities. These initiatives and policies are mainly applicable to the subsidiaries which are engaged in manufacturing 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 : 00012343
- Name : Mr P. K. Kataky
- Designation : Managing Director & Chief Executive Officer

(b) Details of the BR head

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

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

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

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
i.	Do you have policy/policies for	Y*	Y*	Y	Y	Y*	Y	N	Y	Y*	
ii.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	N	Y	
iii.	Does the policy conform to any national/international standards? If yes, specify?	N	N	N	N	N	Y (National Voluntary Guidelines)	N	N	N	
iv.	Has the policy 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	
v.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y	
vi.	Indicate the link for the policy to be viewed online?	(i)	(i)	(ii)	(iii)	(i)	(ii)	N	(iii)	(i)	
vii.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all key internal stakeholders of the Company.									
viii.	Does the Company have an in-house structure to implement the policy/policies.	The Company has an internal management structure that oversees Policies and their implementation.									
ix.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has various grievance redressal mechanisms for different stakeholders like employees, shareholders, customers, regulatory authorities, etc.									
x.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N	

* The essence of this principle is embedded in the Company's Vision, Mission and Core Values Statement.

All policies have been signed by the MD & CEO.

i) www.exideindustries.com/our_vision.html

ii) www.exideindustries.com/our_policies.html

iii) www.exideindustries.com/corporate_social.html

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

Sl. No. Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i. The Company has not understood the Principles									
ii. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
iii. The Company does not have financial or manpower resources available for the task									
iv. It is planned to be done within next six months									
v. It is planned to be done within the next 1 year								✓	
vi. Any other reason (please specify)									

3. Governance related to BR

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

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

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

The Company has not published a Sustainability Report till date.

Section E : Principle-wise Performance**Principle 1****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?

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

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

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

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

During the financial year 2013-14 no complaint was received relating to ethics, bribery or corruption from any stakeholder.

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 supplies batteries for Electric four-wheelers. These vehicles are environment friendly as they do not use fossil fuel.

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

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

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

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

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

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

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

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

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

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

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

The Company ensures optimal usage of raw materials and emphasises on recycling the waste generated during manufacturing process and also promotes use of recycled materials. As explained earlier recycled lead constitutes close to 40 per cent of the total lead and lead alloys used by the Company for manufacturing batteries. The Company also has two captive smelting units for recycling of lead. Apart from the above, the packaging material used by the Company also contains recycled paper to a significant extent. Also, most of the Plants of the Company use recycled waste water for cleaning and gardening purposes. Bio-gas is also generated from canteen waste in one of the plants.

Principle 3

Business should promote the wellbeing of all employees

1. Please indicate the total number of employees : 5001
2. Please indicate the total number of employees hired on temporary/contractual/casual basis : 6103
3. Please indicate the number of permanent women employees : 94
4. Please indicate the number of permanent employees with disabilities : 3
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? : 53%
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 | : 60% |
| • Permanent women employees | : NIL |
| • Casual/temporary/contractual employees | : 30% |
| • Employees with disabilities | : NIL |

Principle 4

Business should respect the interests of and be responsive 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, customers, dealers, technical collaborators, suppliers, shareholders, regulatory authorities and members of the society who are directly or indirectly affected by the Company's operations.

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

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

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and 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 in the villages so as to alleviate their quality of life. These activities vary from time to time and are often implemented in consultation with the local community leaders. Further several initiatives have also been taken for the benefit of such marginalised or disadvantaged sections of the society in other locations where the Company has offices. Broad details of such activities can be found in the Director's Report under the Section - Corporate Social Responsibility.

Principle 5

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 the Company, subsidiaries and vendors and suppliers.

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

The company did not receive any complaint regarding human rights violation from any quarter during the financial year 2013-14.

Principle 6

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

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

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

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

The Company recognises that climate change is a real threat facing not just the company but the entire global community, of which it is just a part. The Company also recognises it can play a meaningful role in trying to mitigate the problem by adopting certain strategies and initiatives in its day to day operations. The Company has a well laid down Energy Policy and is always striving to implement measures to reduce GHG emissions. Further, 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 preemptive 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 the solar power systems. The Company also manufactures batteries for electric vehicles and hybrid vehicles thereby contributing to the movement towards less dependence on fossil fuel.

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

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

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

The company has been progressively reducing its energy and raw material consumption per unit of battery manufactured. There is also a constant effort to conserve energy and improve energy efficiency at all locations. Substantial investments are made by the Company towards this end in all plants and the results achieved are regularly monitored. The Annexure to the Director's Report contains details of the steps taken to conserve energy during the financial year 2013-14.

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

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

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

No showcause or legal notices from the pollution control authorities are pending as at the end of the financial year 2013-14.

Principle 7

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

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

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

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

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

Principle 8

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.

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

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

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

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

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

The company has spent Rs 1.02 crore in CSR projects during 2013-14. Apart from this, the Company has made donations to various charitable organisations and other institutions engaged in the fields of healthcare, environmental protection etc.

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

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

Principle 9

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

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

The company has a robust CRM system to track customer feedback. During the year around 165 complaints were received through this system out of which around 83% was awaiting resolution as on the last day of the financial year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Answer with Yes/No/not Applicable/Remarks.

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

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

Sometime in 2003 the Company terminated the dealerships of JVC Industrial Corporation and Univolt Electro Devices 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?

During 2013-14 the Company carried out a customer satisfaction survey in some of its key markets for automotive batteries.

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, 2014, and 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 notified under the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs. 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 Companies Act, 1956 ("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, 2014;
 - (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, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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

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

EXIDE INDUSTRIES LIMITED

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	4.50	1998-99 to 2011-12	Various Commissioner (Appeals)/ Deputy Commissioner
	- Do -	180.66	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	9.90	1998-99 to 2010-11	Various Appellate Authorities
Various State Sales Tax Act	Demand relating to non submission of Local forms and other documents/ dispute related to VAT credit/dispute relating to classification of goods	18.40	1996-97 to 2013-14	Various Appellate Authorities
	Turnover Dispute	2.79	2005-06 to 2010-11	Various Appellate Authorities
The Income Tax Act, 1961	Disallowance of certain expenses	16.60	Assessment year 2007-08 and 2008-09	Income Tax Appellate Tribunal
	- Do -	4.20	2010-11	CIT (Appeals)

Out of the total dues against various Excise demands, the Company has received stay order from appellate authorities for dues amounting to Rs. 235.98 crores.

- Out of the total dues against various Excise demands, the Company has received stay order from appellate authorities for dues amounting to Rs. 235.98 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.

per Kamal Agarwal
Place of Signature : Mumbai Partner
Date : 25th April, 2014 Membership No.: 58652

BALANCE SHEET

AS AT 31ST MARCH 2014

Particulars	Note No.	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
I) EQUITY AND LIABILITIES			
1) SHAREHOLDERS' FUND			
a) Share Capital	2	85.00	85.00
b) Reserves & Surplus	3	<u>3,646.46</u>	<u>3,338.59</u>
		<u>3,731.46</u>	<u>3,423.59</u>
2) NON-CURRENT LIABILITIES			
a) Deferred tax liabilities (Net)	4	105.07	97.65
b) Other Long term liabilities	5	5.76	7.14
c) Long-term provisions	6	20.38	20.59
		<u>131.21</u>	<u>125.38</u>
3) CURRENT LIABILITIES			
a) Trade payables	7	652.96	560.41
b) Other current liabilities	8	248.52	262.50
c) Short-term provisions	9	<u>192.47</u>	<u>176.47</u>
		<u>1,093.95</u>	<u>999.38</u>
TOTAL		<u>4,956.62</u>	<u>4,548.35</u>
II) ASSETS			
1) NON CURRENT ASSETS			
a) Fixed Assets			
i) Tangible assets	10	976.83	977.57
ii) Intangible assets	11	21.19	16.84
iii) Capital work-in-progress		50.98	58.77
b) Non-current investments	12	1,594.60	1,459.40
c) Long-term loans and advances	13	64.19	51.62
d) Other non-current assets	14	1.20	1.45
		<u>2,708.99</u>	<u>2,565.65</u>
2) CURRENT ASSETS			
a) Current investments	15	372.41	180.73
b) Inventories	16	1,185.57	1,167.10
c) Trade receivables	17	516.64	509.19
d) Cash and bank balances	18	119.95	74.79
e) Short-term loans and advances	19	53.06	48.20
f) Other current assets	20	—	2.69
		<u>2,247.63</u>	<u>1,982.70</u>
TOTAL		<u>4,956.62</u>	<u>4,548.35</u>
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, 25 April, 2014

S. Coomer
Secretary

R. G. Kapadia
P. K. Kataky
A. K. Mukherjee
Directors

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Note No.	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
INCOME :			
I) Revenue from operations (Gross)	21	6,754.77	6,862.21
Less: Excise Duty		790.53	790.84
Revenue from operations (Net)		5,964.24	6,071.37
II) Other income	22	33.03	75.88
III) Total Revenue		5,997.27	6,147.25
EXPENSES :			
Cost of raw materials and components consumed	23	4,009.98	4,160.24
Purchase of traded goods		3.29	14.52
Increase in inventories of finished goods, work-in-progress and traded goods	24	(102.88)	(136.03)
Employee benefits expenses	25	355.86	349.27
Finance costs	26	1.19	4.17
Depreciation and amortisation expenses	27	125.60	113.48
Other expenses	28	881.15	899.32
Total expenses		5,274.19	5,404.97
V) Profit before tax		723.08	742.28
VI) Tax expenses :			
1. Current tax (Net of excess provision of earlier years reversed Rs 0.29 crs. (PY Rs 6.58 Crs))		228.58	204.35
2. Deferred tax (including charge for earlier years Rs nil (PY Rs 4.22 Crs))		7.42	15.15
		236.00	219.50
VII) Profit for the Year		487.08	522.78
Earnings per share - Basic and Diluted (Nominal value Re 1 per share) - in Rs		5.73	6.15
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
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Mumbai, 25 April, 2014

S. Coomer
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R. G. Kapadia
P. K. Kataky
A. K. Mukherjee
Directors

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2014

	2013-2014		2012-2013	
	(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before tax		723.08		742.28
Adjustment for :				
Depreciation and Amortisation	125.60		113.48	
Profit on Fixed Assets sold	(0.18)		(0.06)	
Loss on Fixed Assets sold / discarded	0.27		0.43	
Dividend Income	(23.78)		(69.85)	
Interest Expense	1.19		4.17	
Interest Income	(0.83)		(0.57)	
	<hr/>	102.27	<hr/>	47.60
Operating profit before working capital changes		825.35		789.88
(Increase) in Trade Receivables (net of provision)	(7.31)		(107.65)	
(Increase) in Inventories	(18.47)		(201.73)	
(Increase) / Decrease in Loans & Advances	(11.54)		4.22	
Increase in Current Liabilities	84.71	47.39	70.00	(235.16)
Cash generated from operations		872.74		554.72
Direct Taxes Paid (net of refunds)		(225.79)		(195.00)
Net Cash from operating activities		646.95		359.72
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(135.20)		(159.83)	
Sale of Fixed Assets	0.57		1.09	
Acquisition of Business	–		(7.94)	
Acquisition of Shares / units	(135.20)		(552.85)	
Purchase of Mutual Fund units	(1,341.00)		(1,431.00)	
Sale of Mutual Fund units	1,151.00		1,896.00	
Interest Received	0.78		0.62	
Dividend received	24.78		73.82	
Net Cash used in investing activities		(434.27)		(180.09)
(C) CASH FLOW FROM FINANCING ACTIVITIES :				
Dividends Paid (including tax)	(166.14)		(157.82)	
Interest Paid	(1.38)		(4.69)	
Net Cash used in financing activities		(167.52)		(162.51)
Net Increase in cash and cash equivalents		45.16		17.12
Cash and cash equivalents - Opening Balance #		74.79		57.67
Cash and cash equivalents - Closing Balance #		119.95 *		74.79

as disclosed in Note 18

* Includes Rs. 5.11 crs (PY Rs. 4.40 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, 25 April, 2014

S. Coomer
Secretary

R. G. Kapadia
P. K. Kataky
A. K. Mukherjee
Directors

ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2014

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 under the Companies Act, 1956, read with General Circular 8/2014 dated 4th April 2014, issued by the Ministry of Corporate Affairs. 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.

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

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

Interest

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

Dividends

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

d. Fixed Assets

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

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 costs 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 Profit and Loss account on a straight-line basis over the lease term.

i. Foreign Currency Transactions**(i) Initial Recognition**

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

(ii) Conversion

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

(iii) Exchange Differences

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

(iv) Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or 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.
- iii) Traded goods are valued at Lower of cost and net realizable value. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

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

k. Borrowing Costs

Borrowing costs attributable to the acquisition and/or construction of qualifying assets are capitalised 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 employee renders the service. There are no obligations other than the contribution payable to the respective trusts.
- ii) Gratuity and Post Retirement Medical Benefit liability are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year.
- iv) Payments made under the Voluntary Retirement Scheme are charged to Statement of Profit and Loss.
- v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in Note No. 30. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the employee renders the service. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.
- vi) Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.
- vii) The current and non current bifurcation is done as per Actuarial report.

o. Taxation

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which

such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably 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 the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard-29, are not discounted to its present value and are determined based on the management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

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

r. Segment reporting

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

s. Contingent Liabilities

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 2014**

PARTICULARS	March 31, 2014 (Rs. In Crores)	March 31, 2013 (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		
<p>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.</p> <p>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.</p> <p>During the year ended 31st March 2014, the amount of per share Dividend recognised as distributions to equity shareholders was Rs 1.80 (PY Rs 1.60 per share)</p>		
d) Details of shareholders holding more than 5% shares in Company	March 31, 2014 Number of Shares	March 31, 2013
Name of Shareholder		
Chloride Eastern Limited, UK holding 45.99% (PY : 45.99%)	39,09,54,666	39,09,54,666
Life Insurance Corporation of India holding 7.35% (PY 5.82%)	6,24,95,230	4,94,32,813
<p>As per records of the company, including its register of shareholders/members and other declaration received from shareholders, the above shareholding represents legal ownership of shares.</p>		
3. RESERVES AND SURPLUS		
a) Revaluation Reserve		
Balance as per Last Account	24.72	25.68
Less: Adjusted towards assets sold / discarded	0.12	0.05
Less: Transfer to Depreciation Account	0.88	0.91
Closing Balance	23.72	24.72
b) Securities Premium Account		
Balance as per Last Account	737.88	737.88
c) General Reserve		
Balance as per Last Account	1,030.00	975.00
Add : Amount transferred from Statement of Profit and Loss	50.00	55.00
Closing Balance	1,080.00	1,030.00
d) Contingency Reserve *		
Balance as per Last Account	25.00	25.00

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
e) Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	1,520.99	1,208.75
Add : Profit for the year	487.08	522.78
Less : Appropriations		
Proposed final equity dividend (amount per share Re 0.70 (PY Re 0.60))	(59.50)	(51.00)
Tax on proposed equity dividend	(9.32)	(5.75)
Interim dividend (amount per share Rs 1.10 (PY Re 1.00))	(93.50)	(85.00)
Tax on interim dividend	(15.89)	(13.79)
Transfer to General reserve	(50.00)	(55.00)
Total Appropriations	(228.21)	(210.54)
Net Surplus in Statement of Profit and Loss	1,779.86	1,520.99
	3,646.46	3,338.59

* 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
Expenses claimed as deduction as per Income Tax Act, 1961
but not booked in current year

b) Deferred tax assets :

On expenses allowable against taxable income in future years
Expenses disallowed in earlier assessments which are being contested

5 OTHER LONG TERM LIABILITIES

a) Trade payables

b) Others - For expenses

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	3.46	3.35
Gratuity	0.12	1.64
Pension	1.35	1.13
Leave benefits	15.45	14.47
	20.38	20.59

7 TRADE PAYABLES

a) Trade payable for goods & services (refer note no 35)

593.22	560.41
59.74	-
	652.96
	560.41

8 OTHER CURRENT LIABILITIES

a) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)

5.11	4.40
------	------

b) Other payables -

For Capital Goods	17.13	20.54
Taxes and duties payable	43.42	50.66
Advances from customers	14.39	15.79
For Selling Expenses	108.86	114.83
For Other Expenses	59.61	56.28
	248.52	262.50

9. SHORT-TERM PROVISIONS

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
a) Provision for employee benefits (refer note 30)		
Post retirement medical benefits	0.24	0.26
Leave benefits	1.47	2.42
b) Others		
Provision for Warranty Claims	121.94	117.04
Provision for proposed dividend	59.50	51.00
Provision for tax on proposed dividend	9.32	5.75
	192.47	176.47

Provisions for warranties

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

Opening Balance	117.04	87.57
Add : Provision created during the year	174.51	169.95
Less : Product related warranties issued for the year	169.61	140.48
Closing Balance	121.94	117.04

10. TANGIBLE ASSETS

	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Office Equipment	Furniture & fittings	Vehicles	Computers	(Rs. In Crores)
Cost										
As at 1st April 2012	26.40	17.87	262.24	1,284.01	134.88	7.14	7.17	2.35	20.81	1,762.87
Additions	0.11	11.27	8.76	88.30	17.28	0.62	0.08	0.16	3.07	129.65
Acquisition through Purchase of business	-	2.89	2.83	0.20	-	0.05	-	-	-	5.97
Disposals / deductions	-	-	0.07	11.37	5.99	0.26	0.01	0.27	2.15	20.12
As at 31st March 2013	<u>26.51</u>	<u>32.03</u>	<u>273.76</u>	<u>1,361.14</u>	<u>146.17</u>	<u>7.55</u>	<u>7.24</u>	<u>2.24</u>	<u>21.73</u>	<u>1,878.37</u>
Additions	-	-	9.31	91.92	14.24	1.67	0.20	0.32	3.18	120.84
Disposals / deductions / adjustments	-	0.07	0.03	9.37	5.28	0.13	0.24	0.56	0.97	16.65
As at 31st March 2014	<u>26.51</u>	<u>31.96</u>	<u>283.04 (b)</u>	<u>1,443.69</u>	<u>155.13</u>	<u>9.09</u>	<u>7.20</u>	<u>2.00</u>	<u>23.94</u>	<u>1,982.56</u>
Depreciation										
As at 1st April 2012	-	3.01	64.73	636.71	75.96	4.10	5.16	1.54	16.91	808.12
Charge for the year	-	0.25	7.62	89.36	11.26	0.13	0.75	0.26	1.65	111.28
Disposals / deductions	-	-	0.06	10.09	5.84	0.23	0.01	0.26	2.11	18.60
As at 31st March 2013	-	3.26	72.29	715.98	81.38	4.00	5.90	1.54	16.45	900.80
Charge for the year	-	0.45	8.16	96.30	12.68	0.37	0.46	0.24	2.15	120.81
Disposals / deductions	-	0.01	0.02	8.93	5.16	0.10	0.19	0.52	0.95	15.88
As at 31st March 2014	<u>-</u>	<u>3.70</u>	<u>80.43</u>	<u>803.35</u>	<u>88.90</u>	<u>4.27</u>	<u>6.17</u>	<u>1.26</u>	<u>17.65</u>	<u>1,005.73</u>
Net Block										
As at 31st March 2013	26.51	28.77	201.47	645.16	64.79	3.55	1.34	0.70	5.28	977.57
As at 31st March 2014	<u>26.51</u>	<u>28.26</u>	<u>202.61</u>	<u>640.34</u>	<u>66.23</u>	<u>4.82</u>	<u>1.03</u>	<u>0.74</u>	<u>6.29</u>	<u>976.83</u>

- Conveyance deeds for certain immovable properties valued at Rs 3.77 crs (PY Rs 3.77 crs) are pending execution.
- Includes Rs 0.10 crs (PY Rs 0.10 crs) being the cost of shares in Co-operative Housing Societies.
- 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.

11. INTANGIBLE ASSETS
Cost

	Goodwill	Trade Mark	Computer Software	Total
As at 1st April 2012	12.10	-	1.62	13.72
Additions	-	-	6.55	6.55
Acquisition through Purchase of business	0.03	1.57	-	1.60
As at 31st March 2013	<u>12.13</u>	<u>1.57</u>	<u>8.17</u>	<u>21.87</u>
Additions	-	-	10.02	10.02
As at 31st March 2014	<u>12.13</u>	<u>1.57</u>	<u>18.19</u>	<u>31.89</u>
Amortisation				
As at 1st April 2012	1.56	-	0.36	1.92
Charge for the year	2.22	0.16	0.73	3.11
As at 31st March 2013	<u>3.78</u>	<u>0.16</u>	<u>1.09</u>	<u>5.03</u>
Charge for the year	2.23	0.31	3.13	5.67
As at 31st March 2014	<u>6.01</u>	<u>0.47</u>	<u>4.22</u>	<u>10.70</u>
Net Block				
As at 31st March 2013	8.35	1.41	7.08	16.84
As at 31st March 2014	6.12	1.10	13.97	21.19

12. NON- CURRENT INVESTMENTS
(VALUED AT COST UNLESS STATED OTHERWISE)
Trade (unquoted)
GOVERNMENT SECURITIES

Government Securities (lodged as security deposits with various authorities)

**March 31, 2014
(Rs. In Crores)**
**March 31, 2013
(Rs. In Crores)**

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 & 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, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
NON TRADE (UNQUOTED)		
EQUITY SHARES, FULLY PAID UP		
IN SUBSIDIARY COMPANY		
ING Vysya Life Insurance Company Limited (160,00,00,000 shares of Rupees 10 each (PY 146,48,83,000 shares))	1,429.59	1,294.39
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 76,901 units))	7.69	7.69
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
(i) Aggregate value of unquoted investments -	<u>1,594.60</u>	<u>1,459.40</u>
(ii) Aggregate value of quoted investments (Market value Rs 27.80 Cr (PY Rs 29.42 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	14.04	5.33
b) Deposits - Others	9.03	8.87
c) Prepaid expenses	8.18	1.55
d) Advance Payment of Income Tax (net of Provisions)	32.74	35.56
e) Loans and advances to others	0.01	0.01
f) Loans to employees	0.19	0.30

(ii) Unsecured considered doubtful

a) Advances recoverable in cash or kind	2.65	2.42
b) Balances with Customs, Sales Tax & Excise Authorities	1.07	1.93
c) Deposits - Others	0.10	0.10
	<u>68.01</u>	<u>56.07</u>
Less :- Provision for doubtful deposits and advances	3.82	4.45
	<u>64.19</u>	<u>51.62</u>

14 OTHER NON-CURRENT ASSETS

Unsecured, Considered good unless stated otherwise

a) Trade Receivables	1.20	1.45
	<u>1.20</u>	<u>1.45</u>

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

CURRENT ASSETS**15 CURRENT INVESTMENTS****Non Trade (Unquoted) (at lower of cost and fair value)****UNITS OF MUTUAL FUND**

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
ING Treasury Advantage Fund - Institutional Daily Dividend Reinvestment 1,70,94,189 units of Rs 10 (PY 2,71,40,395 units of Rs 10)	17.12	27.17
ING Liquid Fund - Super Institutional -Daily Dividend Reinvestment 4,72,59,074 units of Rs 10 (PY 8,34,98,126 units of Rs 10)	47.34	83.54
Kotak Banking & PSU Debt Fund - Daily Dividend Reinvestment 1,00,31,925 units of Rs 10 (PY NIL units)	10.07	-
Templeton India Ultra Short Bond Fund Super Institutional - Daily Dividend Reinvestment 3,50,70,704 units of Rs 10 (PY 1,99,72,943 units of Rs 10)	35.23	20.01
DSP Black Rock Liquidity Fund -Institutional Plan -Daily Dividend Reinvetsment 2,01,102 units of Rs 1000 (PY 1,00,026 units of Rs 1000)	20.12	10.01
IDFC Ultra Short Term Fund - Daily Dividend Reinvestment - Regular Plan 1,00,51,422 units of Rs 10 (PY 99,91,146 units of Rs 10)	10.07	10.00
Birla Sunlife Savings Fund - Daily Dividend Reinvestment 10,03,882 units of Rs. 100 (PY NIL units)	10.08	-
HDFC Floating Rate Income Fund - Short Term Wholesale - Daily Dividend Reinvestment 1,99,80,328 units of Rs 10 (PY 99,22,899 units of Rs 10)	20.14	10.00
SBI Ultra Short Term Debt Fund - Regular - Daily Dividend Reinvestment 2,00,779 units of Rs 1000 (PY 99,872 units of Rs 1000)	20.14	10.00
IDBI Ultra Short Term Fund - Daily Dividend Reinvestment 2,49,758 units of Rs 1000 (PY 99,915 units of Rs 1000)	25.13	10.00
DWS Ultra Short Term Fund - Institutional - Daily Dividend Reinvestment 5,022,999 units of Rs 10 (PY NIL units)	5.03	-
TATA Floater Fund Plan A Daily Dividend 100,371 units of Rs 1000 (PY NIL units)	10.07	-
India Bulls Ultra Short Term Fund - Daily Dividend Reinvestment 4,00,349 units of Rs 1000 (PY NIL units)	40.12	-
Baroda Pioneer Treasury Advantage Fund - Daily Dividend Reinvestment 98,295 units of Rs 1000 (PY NIL units)	10.08	-
Sundaram Ultra Short Term Fund - Regular - Daily Dividend Reinvestment 1,00,36,623 units of Rs 10 (PY NIL units)	10.07	-
L&T Ultra Short Term Fund - Daily Dividend Reinvestment 99,13,290 units of Rs 10 (PY NIL units)	10.08	-
ICICI Pru Flexible Income Fund - Regular - Daily Dividend Reinvestment 9,53,099 units of Rs 100 (PY NIL units)	10.08	-
UTI Treasury Advantage Fund - Institutional - Daily Dividend Reinvestment 1,00,429 units of Rs 1000 (PY NIL units)	10.07	-
Reliance Money Manager Fund - Daily Dividend Reinvestment 1,50,699 units of Rs 1000 (PY NIL units)	15.11	-
Religare Invesco Ultra Short Term Fund - Daily Dividend Reinvestment 1,00,541 units of Rs 1000 (PY NIL units)	10.08	-
HSBC Floating Rate Fund - Long Term - Daily Dividend Reinvestment 1,10,40,694 units of Rs 10 (PY NIL units)	11.07	-
JM Money Manager Fund - Super Plus Plan - Daily Dividend Reinvestment 50,26,900 units of Rs 10 (PY NIL units)	5.04	-
Pramerica Ultra Short Term Bond Fund - Daily Dividend Reinvestment 50,236 units of Rs 1000 (PY NIL units)	5.04	-
Escorts Liquid Fund - Direct Plan - Daily Dividend Reinvestment 36,47,280 units of Rs 10 (PY NIL units)	5.03	-
	372.41	180.73
Aggregate value of unquoted investments	372.41	180.73

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
16 INVENTORIES (At Lower of cost and net realisable value)		
a) Stores,spare parts, loose tools etc	22.21	24.05
b) Raw materials and components		
[Including in transit/ lying in bonded warehouse Rs.62.67 cr (PY Rs.159.45 cr)]	360.46	443.03
c) Work-in-progress	347.55	286.80
d) Finished goods	394.54	349.72
Add Excise Duty	59.79	59.86
e) Trading Goods	1.02	3.64
	<u>1,185.57</u>	<u>1,167.10</u>
17 TRADE RECEIVABLES (UNSECURED)		
a) Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	16.49	16.18
Doubtful	2.37	1.35
	<u>18.86</u>	<u>17.53</u>
Less :- Provision for doubtful debts	2.37	1.35
	<u>16.49</u>	<u>16.18</u>
b) Others		
Considered good	500.15	493.01
	<u>500.15</u>	<u>493.01</u>
Total (Refer Note no 32 for Related Party disclosure)	<u>516.64</u>	<u>509.19</u>
18 CASH AND BANK BALANCE		
Cash and Cash Equivalents		
a) Balances with banks on		
Current Account	114.54	70.15
b) Cash in hand	0.30	0.24
c) Unpaid Dividend Account	5.11	4.40
	<u>119.95</u>	<u>74.79</u>
19 SHORT-TERM LOANS AND ADVANCES		
Unsecured considered good		
a) Advances recoverable in cash or kind	25.77	23.59
b) Prepaid expenses	6.19	5.16
c) Balances with Customs,Sales Tax & Excise Authorities	13.75	11.97
d) Deposits - Others	7.11	7.18
e) Loans to employees	0.24	0.30
	<u>53.06</u>	<u>48.20</u>
20 OTHER CURRENT ASSETS		
Unsecured, Considered good unless stated otherwise		
a) Interest accrued on deposits and others	- ^	-
b) Dividend receivable from subsidiaries	-	2.69
	<u>-</u>	<u>2.69</u>

^ Figures being less than Rs. 50,000, has not been disclosed.

21 REVENUE FROM OPERATIONS

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
Sale of products		
Finished Goods	6,749.62	6,848.59
Traded Goods	5.15	13.62
	<u>6,754.77</u>	<u>6,862.21</u>
Less : Excise duty	790.53	790.84
	<u>5,964.24</u>	<u>6,071.37</u>

- (i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax etc.
- (ii) Excise duty includes Rs. 42.17 crs (PY Rs. 35.51 crs) paid on batteries issued towards warranty claims.

Details of products sold
Finished goods

Storage batteries	6,642.42	6,713.55
Home UPS Systems	107.20	135.04
	<u>6,749.62</u>	<u>6,848.59</u>

Traded goods

Storage batteries	3.53	11.06
Home UPS Systems	1.62	2.56
	<u>5.15</u>	<u>13.62</u>

22 OTHER INCOME

Interest Income on		
Bank deposits	-	0.10
Others	0.83	0.47
Dividend Income on		
Long Term Trade Investments in subsidiaries	4.65	21.75
Current Non Trade investments	19.13	48.10
Gain on sale of fixed assets	0.18	0.06
Net foreign exchange Gain	4.26	-
Bad debts recovered	0.04	0.08
Other non-operating income	3.94	5.32
	<u>33.03</u>	<u>75.88</u>

23 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Opening Stock	443.03	378.29
Add : Purchases (including Processing charges, Procurement expenses etc, and after adjusting Cenvat Credits)	3,927.41	4,224.98
	<u>4,370.44</u>	<u>4,603.27</u>
Less : Closing Stock	360.46	443.03
	<u>4,009.98</u>	<u>4,160.24</u>

Details of raw materials and components consumed

Lead and Lead alloys	3,191.45	3,210.74
Others	818.53	949.50
	<u>4,009.98</u>	<u>4,160.24</u>

Materials consumed includes warranty costs Rs 132.34 crs (PY Rs 134.07 crs) and is net off export incentives Rs.4.77 crs (PY Rs. 5.64 crs).

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
24 INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN - PROGRESS AND TRADED GOODS		
Opening Stock		
Work-in-progress	286.80	258.17
Finished goods	349.72	258.27
Traded Goods	3.64	1.28
	<u>640.16</u>	<u>517.72</u>
Closing Stock		
Work-in-progress	347.55	286.80
Finished goods	394.54	349.72
Traded Goods	1.02	3.64
	<u>743.11</u>	<u>640.16</u>
(Increase)/Decrease in Excise Duty on Finished Goods	0.07	(13.59)
	<u>(102.88)</u>	<u>(136.03)</u>
Details of purchase of Traded Goods		
Storage batteries	2.07	12.62
Home UPS Systems	1.22	1.90
	<u>3.29</u>	<u>14.52</u>
Details of inventory - work in progress		
Storage batteries	343.44	282.83
Home UPS Systems	4.11	3.97
	<u>347.55</u>	<u>286.80</u>
Details of inventory - Finished Goods		
Storage batteries	373.02	318.74
Home UPS Systems	21.52	30.98
	<u>394.54</u>	<u>349.72</u>
Details of inventory - Traded Goods		
Storage batteries	0.61	3.06
Home UPS Systems	0.41	0.58
	<u>1.02</u>	<u>3.64</u>
25 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	290.75	284.80
Contribution to provident and other funds (Refer Note 30)	18.51	22.75
Staff welfare expenses	46.60	41.72
	<u>355.86</u>	<u>349.27</u>
26 FINANCE COSTS		
Interest expenses	1.19	4.17
	<u>1.19</u>	<u>4.17</u>
27 DEPRECIATION AND AMORTISATION		
Depreciation of tangible assets	120.81	111.28
Amortisation of intangible assets	5.67	3.11
Less : Transfer from revaluation reserve	(0.88)	(0.91)
	<u>125.60</u>	<u>113.48</u>

28 OTHER EXPENSES

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
Stores and spare parts consumed	53.93	57.44
Power and fuel	208.07	225.21
Battery Charging / Battery assembly expenses	82.57	90.41
Repairs and maintenance		
Buildings	7.26	7.08
Plant & machinery	23.39	23.84
Others	7.70	7.55
Rent & Hire Charges	19.54	18.08
Rates and taxes	2.55	2.06
Insurance	2.08	1.89
Commission	2.79	2.34
Royalty and Technical Aid Fees	25.81	25.58
Publicity and Sales Promotion	82.64	72.91
Freight & Forwarding (net)	179.55	190.93
Cash Discounts	55.33	58.11
After Sales Services	40.23	32.92
C & F Expenses	23.05	21.72
Travelling & Conveyance	22.41	18.09
Bank Charges	1.21	1.59
Communication Costs	5.25	4.97
Donations	0.01	0.25
Directors' Sitting Fees	0.03	0.03
Loss on Fixed assets sold/discarded	0.27	0.43
Auditors' Remuneration :		
As Auditors		
- For Statutory audit	0.40	0.40
- For Limited Reviews	0.27	0.26
- For Others	0.05	0.04
As Tax Auditors	0.07	0.05
Other Services	0.02	0.03
Out of pocket expenses	0.02	0.02
Net foreign exchange Loss	-	1.47
Miscellaneous expenses (refer Note 29)	34.65	33.62
	881.15	899.32

- 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. 12.72 crs. (PY Rs. 11.10 crs), including capital expenditure Rs. 3.05 crs. (PY Rs. 0.20 crs), was spent on Research and Development work.
- ii) Stores and Spares consumed is exclusive of Rs. 0.33 crs (PY Rs 0.69 crs) being the amounts allocated to other heads of expenses.
- iii) Rent and Hire charges include Rs. 0.47 crs (PY Rs. 0.51 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.

29. MISCELLANEOUS EXPENSES

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
Motor Vehicle Running Expenses	4.45	4.55
Consultancy & Services outsourced	7.90	8.54
Security Service Charges	7.37	6.43
General Expenses	0.67	0.72
Legal Expenses	3.52	2.91
Printing & Stationery	5.31	5.23
TQM Expenses	0.23	0.18
CSR Expenses	1.02	1.25
Pollution Control Expenses	2.34	2.06
Testing Charges	0.75	0.40
Liquidated Damages	0.47	0.15
Battery Erection / Installation Costs	0.62	1.20
	34.65	33.62

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, for employee as on that date 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. Crores			Rs. Crores			
	For the year ended 31st March 2014			For the year ended 31st March 2013			
	GRATUITY	PENSION	PRMB		GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)			
I. Expenses recognised in the statement of Profit & Loss							
1. Current / Past Service Cost	3.73	-	0.06	3.52	-	0.11	
2. Interest Cost	4.37	0.54	0.29	4.00	0.61	0.29	
3. Expected Return on plan assets	4.80	0.43	-	4.52	0.69	-	
4. Actuarial (Gains) / Losses	(0.92)	(0.74)	(0.09)	4.10	(0.45)	(0.14)	
5. Total Expense	2.38	(0.63)	0.26	7.10	(0.53)	0.26	
II. Net Asset / (Liability) recognised in the Balance Sheet							
1. Present Value of Defined Benefit Obligation	56.74	5.82	3.70	56.78	7.26	3.61	
2. Fair Value of Plan Assets	56.62	4.47	-	55.14	6.13	-	
3. Net Asset / (Liability)	(0.12)	(1.35)	(3.70)	(1.64)	(1.13)	(3.61)	

30. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

	Rs. Crores			Rs. Crores								
	For the year ended 31st March 2014			For the year ended 31st March 2013								
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB						
III. Change in Obligation during the year												
1. Present Value of Defined Benefit Obligation at the beginning of the year	56.78	7.26	3.61	48.72	7.25	3.51						
2. Current Service Cost/Plan amendments	3.73	-	0.06	3.52	-	0.11						
3. Interest Cost	4.37	0.54	0.29	4.00	0.61	0.29						
4. Benefits Paid	7.50	1.36	0.17	3.45	0.16	0.16						
5. Actuarial (Gains) / Losses	(0.64)	(0.62)	(0.09)	3.99	(0.44)	(0.14)						
6. Present Value of Defined Benefit Obligation at the end of the year	56.74	5.82	3.70	56.78	7.26	3.61						
IV. Change in the Fair Value of Plan Assets during the year												
1. Plan assets at the beginning of the year	55.14	6.13	-	49.68	8.65	-						
2. Expected return on plan assets	4.80	0.43	-	4.52	0.69	-						
3. Contribution by employer	3.90	(0.85)	0.17	4.50	(3.06)	0.16						
4. Actual Benefits Paid	7.50	1.36	0.17	3.45	0.16	0.16						
5. Actuarial Gains / (Losses)	0.28	0.12	-	(0.11)	0.01	-						
6. Plan assets at the end of the year	56.62	4.47	-	55.14	6.13	-						
7. Actual return on Plan Assets	5.08	0.55	-	4.41	0.70	-						
V. In 2014-15 the Company expects to contribute Rs 4.00 crs (Rs 3.90 crs) to gratuity and Rs 2.00 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	8.75 % p.a. (8.25 %)											
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. 16.85 crs (Rs. 16.48 crs) paid towards Defined Contribution Plans.												

30. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

					Rs Crores	
		Year ended March 14	Year ended March 13	Year ended March 12	Year ended March 11	Year ended March 10
XI.	Amounts for the current and previous four periods are as follows :					
1	Gratuity					
	Defined Benefit Obligation	56.74	56.78	48.72	47.30	37.12
	Plan Assets	56.62	55.14	49.68	44.91	36.52
	Surplus / (deficit)	(0.12)	(1.64)	0.96	(2.39)	(0.60)
	Experience Gain / (loss) adjustments on plan liabilities	(1.34)	(3.07)	(0.57)	(2.87)	(11.15)
	Experience Gain / (loss) adjustments on plan assets	0.28	(0.11)	0.09	0.30	0.49
2	Pension					
	Defined Benefit Obligation	5.82	7.26	7.25	7.17	9.59
	Plan Assets	4.47	6.13	8.65	9.51	13.01
	Surplus / (deficit)	(1.35)	(1.13)	1.40	2.34	3.42
	Experience Gain / (loss) adjustments on plan liabilities	0.54	0.49	0.19	0.61	(0.03)
	Experience Gain / (loss) adjustments on plan assets	0.12	0.01	0.07	0.09	0.33
3	Post Retirement Medical Benefit					
	Defined Benefit Obligation	3.70	3.61	3.51	3.59	3.11
	Experience Gain / (loss) adjustments on plan liabilities	(0.06)	0.21	0.16	(0.55)	(0.75)

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:

Particulars	(Rs. In Crores)		
	India	Overseas	Total
Revenue (Gross Sale)	6,454.72	300.05	6,754.77
Carrying Amount :			
Segment Assets	2,945.96	43.65	2,989.61
Additions :			
Tangible assets	121.75	-	121.75
Intangible assets	10.02	-	10.02

Particulars	Year ended 31st March 2013		
	India	Overseas	Total
Revenue (Gross Sale)	6,591.80	270.41	6,862.21
Carrying Amount :			
Segment Assets	2,855.92	52.30	2,908.22
Additions :			
Tangible assets	167.86	-	167.86
Intangible assets	8.15	-	8.15

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 & 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 (IVL)
 Exide Batteries (Pvt) Limited. (Subsidiary of CBSEA)

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

**3. Key Management Personnel
(As on 31st March, 2014)**

Mr P K Kataky, Whole Time Director
 Mr G Chatterjee, Whole Time Director
 Mr A K Mukherjee, Whole Time Director
 Mr Nadeem Kazim, Whole Time Director
 Mr T V Ramanathan, (Upto 30th April, 2013)
 Mr Subir Chakraborty, Whole Time Director (w.e.f. 01 May, 2013)
 Mr Supriya Coomer, Company Secretary

4. Name of the Companies / firms / in which Directors / Key Management Personnel have significant influence with whom transactions have happened during the year.
ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Subsidiaries		Associate Company		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2014
Purchases of goods	- A B M L	1.12 (3.19)	-	-	-	-	-	1.12 (3.19)	-
	- Chloride Metals	530.33 (605.50)	- (1.10)	-	-	-	-	530.33 (605.50)	- (1.10)
	- Chloride Alloys	813.38 (790.49)	40.69 (3.37)	-	-	-	-	813.38 (790.49)	40.69 (3.37)
	- Espex	0.02 (0.01)	-	-	-	-	-	0.02 (0.01)	-
	- CPSSL	2.11 (2.40)	1.36 (0.55)	-	-	-	-	2.11 (2.40)	1.36 (0.55)
	- Total	1,346.96 (1,401.59)	42.05 (5.02)	-	-	-	-	1,346.96 (1,401.59)	42.05 (5.02)
Sale of goods	- CBSEA	77.20 (64.52)	17.86 (27.50)	-	-	-	-	77.20 (64.52)	17.86 (27.50)
	- CPSSL	46.45 (40.80)	13.25 (6.62)	-	-	-	-	46.45 (40.80)	13.25 (6.62)
	- Espex	26.70 (34.51)	14.45 (14.76)	-	-	-	-	26.70 (34.51)	14.45 (14.76)
	- Chloride Metals	219.75 (194.96)	- (23.98)	-	-	-	-	219.75 (194.96)	- (23.98)
	- Chloride Alloys	97.12 (206.96)	- (41.60)	-	-	-	-	97.12 (206.96)	- (41.60)
	- Total	467.22 (541.75)	45.56 (114.46)	-	-	-	-	467.22 (541.75)	45.56 (114.46)

32. RELATED PARTY DISCLOSURE (CONTD.)
ii) Details of transactions entered into with the related parties :

(Rs. In Crores)

	Subsidiaries		Associate Company		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2014
Cost of management services recovered									
- CIL	0.04 (0.04)	-	-	-	-	-	-	0.04 (0.04)	-
- Chloride Metals	- (0.34)	-	-	-	-	-	-	- (0.34)	-
- Chloride Alloys	- (0.36)	-	-	-	-	-	-	- (0.36)	-
- Total	0.04 (0.74)	-	-	-	-	-	-	0.04 (0.74)	-
Rent and Maintenance Costs									
- CIL	0.41 (0.33)	-	-	-	-	-	-	0.41 (0.33)	-
Employee Welfare Expenses									
- IVL	0.49	-	- (0.43)	-	-	-	-	0.49 (0.43)	-
Dividend Income									
- ABML	1.31 (1.53)	- (0.59)	-	-	-	-	-	1.31 (1.53)	- (0.59)
- CBSEA	- (2.25)	- (2.10)	-	-	-	-	-	- (2.25)	- (2.10)
- Chloride Alloys	- (7.50)	-	-	-	-	-	-	- (7.50)	-
- Chloride Metals	- (7.50)	-	-	-	-	-	-	- (7.50)	-
- CIL	0.31	-	-	-	-	-	-	0.31	-
- CPSSL	2.97 (2.97)	-	-	-	-	-	-	2.97 (2.97)	-
- Total	4.59 (21.75)	- (2.69)	-	-	-	-	-	4.59 (21.75)	- (2.69)
Technical Assistance Expenses									
- CEIL	-	-	-	-	0.12 (0.11)	-	-	0.12 (0.11)	-
Technical Assistance Income									
- ABML	0.47 (0.39)	0.11 (0.09)	-	-	-	-	-	0.47 (0.39)	0.11 (0.09)
Interest Income	- ESPEX	-	- (0.01)	-	-	-	-	-	- (0.01)
Remuneration									
to Directors	-	-	-	-	-	-	8.05 *	8.05	3.89
to Others	-	-	-	-	-	-	(8.19)	(8.19)	(3.54)
- Total	-	-	-	-	-	-	0.39 (0.38)	0.39 (0.38)	-
	-	-	-	-	-	-	8.44 (8.57)	8.44 (8.57)	3.89 (3.54)

Notes :

(1) Dividend amounting to Rs 23.46 crs was paid for the year 2012-13 final (Rs 23.46 crs for the year 2011-12 final) and Rs 43.00 crs for Interim Dividend 2013-14 (Rs 39.10 crs for Interim Dividend 2012-13) to Chloride Eastern Limited, UK. Also refer Note 42.

* Details furnished in Corporate Governance Report.

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

Weighted average number of equity share (Numbers)

Basic and diluted earning per share (Rs.)

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
	As at 31st March, 2014	As at 31st March, 2013
487.08	522.78	
85,00,00,000	85,00,00,000	
5.73	6.15	

34 UNHEDGED FOREIGN CURRENCY EXPOSURE

Trade Receivables

40.70

48.13

Investments in overseas subsidiaries

18.44

18.44

Dividend and Technical fees receivable

0.11

2.78

Trade Payables for Goods & Services

121.88

64.30

181.13
133.65
35 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES
AS DEFINED UNDER MSMED ACT, 2006

2013-14

2012-13

Principal amount due

9.37

8.85

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

0.04

0.03

Amount of further interest remaining due and payable in the succeeding year

-

-

 As at
31st March, 2014

 As at
31st March, 2013

36 CAPITAL AND OTHER COMMITMENTS

Commitment for acquisition of fixed assets

118.57

55.88

Commitment for investment

12.31

12.31

Other Commitments

17.00*

20.00

147.88
88.19

* Payable over a period of next three years .

 As at
31st March, 2014

 As at
31st March, 2013

37 CONTINGENT LIABILITIES

Outstanding Bank Guarantees / Indemnity Bonds

17.97

18.24

Sales Tax demands

24.37

15.14

Excise Duty demands

34.12*

34.32

Service Tax demands

-

-

Income Tax demands

6.82

4.46

Other claims being disputed by the Company

0.44

0.44

Claim from a landlord, an appeal whereby is pending in

Not

Not

Hon'ble Bombay High Court

Ascertainable

Ascertainable

83.72
72.60

* Includes a Demand of Rs 32.60 crs plus penalties, as applicable, for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries. The Company has contested applicability of The Standards of Weights & Measures Act, 1976 and Rules thereunder, the applicability of which is still to be adjudicated by the Hon'ble Supreme Court. Meanwhile, Company has been granted a stay on this Excise Duty demand by CESTAT, Kolkata.

38 VALUE OF RAW MATERIALS AND COMPONENTS CONSUMED

Imported - 16.4 % (PY 14.5 %)
Indigenous - 83.6 % (PY 85.5 %)

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
	656.41	602.25
	3,353.57	3,557.99
	<u>4,009.98</u>	<u>4,160.24</u>

39 VALUE OF STORES AND SPARE PARTS CONSUMED

Imported - 16.5 % (PY 15.8 %)
Indigenous - 83.5 % (PY 84.2 %)

8.89	9.10
45.04	48.34
<u>53.93</u>	<u>57.44</u>

40 VALUE OF IMPORTS (C.I.F BASIS)

Raw Materials and Components
Trading Items
Spare Parts
Capital Goods

668.31	745.77
2.05	12.41
20.17	21.07
43.36	56.56
<u>733.89</u>	<u>835.81</u>

**41 INCOME & EXPENDITURE IN FOREIGN CURRENCY
(ON ACCRUAL BASIS)**

Income

Export(f.o.b. value) 170.00 157.32
Dividend 1.29 3.78
Technical Assistance Fee 0.47 0.39

Expenditure

Royalty 19.51 15.87
Technical Assistance Fee 0.12 0.26
Others 1.15 1.60

**42 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)	66.46	62.55
Amount remitted for	2012-13 (Final) and 2013-14 (interim)	2011-12 (Final) and 2012-13 (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.

43 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, 25 April, 2014

S. Coomer
Secretary

R. G. Kapadia
P. K. Kataky
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, 2014, 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 but not for the purpose of expressing an opinion on the effectiveness of entity's internal control. 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, 2014;
- (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

1. We did not audit total assets of Rs. 8,561.66 crores as at March 31, 2014, total revenues of Rs. 2,553.62 crores and net cash inflows amounting to Rs. 21.08 crores for the year then ended, included in the accompanying consolidated financial statements in respect of certain subsidiaries, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.
2. The auditors of ING Vysya Life Insurance Company Limited ('IVL'), a subsidiary company, have reported that the actuarial valuation of liabilities for life policies in force is the responsibility of IVL's Appointed Actuary. The actuarial valuation of these liabilities as at March 31st 2014 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory Development Authority ('IRDA') ('Authority') and the Institute of Actuaries of India in concurrence with the Authority. The IVL auditors have relied upon the Appointed Actuary's certificate in this regard for forming opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on the financial statement of the Company.

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E

per Kamal Agarwal

Place of Signature : Mumbai Partner
Date : 25th April, 2014 Membership No.: 58652

EXIDE INDUSTRIES LIMITED

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Note No.	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
I. EQUITY AND LIABILITIES			
1) SHAREHOLDERS' FUND			
a) Share Capital	2	85.00	85.00
b) Reserves & Surplus	3	3,374.66	2,994.69
		3,459.66	3,079.69
2) Minority Interest	4	11.68	11.16
3) NON-CURRENT LIABILITIES			
a) Long Term Borrowings	5	4.30	2.38
b) Deferred tax liabilities (Net)	6	111.78	103.66
c) Other Long term liabilities	7	5.93	7.36
d) Long-term provisions	8	26.92	26.74
e) Policyholders' Fund	9	6,638.97	6,237.81
f) Fund for discontinued policies (Linked and Non-Linked)		33.10	15.21
g) Fund for future Appropriation (Linked and Non-Linked)		7.38	4.42
		6,828.38	6,397.58
4) CURRENT LIABILITIES			
a) Short-term borrowings	10	10.51	48.61
b) Trade payables	11	1,120.86	995.39
c) Other current liabilities	12	352.91	391.48
d) Short-term provisions	13	199.12	183.24
e) Policyholders' Fund	14	510.76	201.56
		2,194.16	1,820.28
TOTAL		12,493.88	11,308.71
II. ASSETS			
1) NON CURRENT ASSETS			
a) Fixed Assets			
i) Tangible assets	15	1,079.75	1,075.76
ii) Intangible assets	16	24.47	19.62
iii) Capital work-in-progress		62.72	60.77
b) Goodwill on consolidation	17	581.90	581.90
c) Non-current investments			
i) Investments of Life insurance business	18	4,759.87	3,661.70
ii) Other investments	19	34.43	34.94
d) Assets held to cover linked liability of Life Insurance Business	20	2,285.35	2,376.75
e) Long-term loans and advances	21	131.68	105.59
f) Other non-current assets	22	4.27	1.51
		8,964.44	7,918.54
2) CURRENT ASSETS			
a) Current investments			
i) Investments of Life insurance business	23	230.19	140.42
ii) Other investments	24	379.33	184.26
b) Assets held to cover linked liability of Life Insurance Business	25	238.87	431.88
c) Inventories	26	1,302.86	1,407.39
d) Trade receivables	27	658.42	591.81
e) Cash and bank balances	28	286.82	220.51
f) Short-term loans and advances	29	76.13	63.17
g) Other current assets	30	356.82	350.73
		3,529.44	3,390.17
TOTAL		12,493.88	11,308.71
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, 25 April, 2014

S. Coomer
Secretary

For and on behalf of the Board of Directors

R. G. Kapadia
P. K. Kataky
A. K. Mukherjee
Directors

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Note No.	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
INCOME :			
I) Revenue from operations (Gross)	31	9,102.23	7,159.47
Less : Excise Duty		793.38	793.58
Revenue from operations (Net)		<u>8,308.85</u>	<u>6,365.89</u>
II) Other income	32	70.80	56.05
III) Total Revenue		<u>8,379.65</u>	<u>6,421.94</u>
IV) EXPENSES :			
Cost of raw materials and components consumed	33	3,917.17	4,208.69
Purchase of traded goods		100.37	74.03
Increase in inventories of finished goods, work-in - progress and trading goods	34	(11.69)	(200.30)
Employee benefits expenses	35	682.12	403.17
Finance costs	36	7.61	9.06
Depreciation and amortisation expenses	37	140.40	122.00
Other expenses	38	2,471.80	1,024.41
Change in valuation of liability in respect of Life Insurance Policies in force	40	<u>285.16</u>	<u>3.75</u>
Total expenses		<u>7,592.94</u>	<u>5,644.81</u>
V) Profit before tax		786.71	777.13
VI) Tax expenses :			
1. Current tax (Net of excess provision of earlier years reversed Rs. 0.89 crs. (PY Rs. 6.58 Crs))		232.94	220.61
2. Deferred tax (includes charge for earlier years Rs. 4.22 Crs (PY nil))		<u>7.61</u>	<u>16.52</u>
		<u>240.55</u>	<u>237.13</u>
VII) Share of Profit of Associate Company		-	11.22
VIII) Profit for the Year		546.16	551.22
IX) Less : Minority Interest		1.50	1.87
X) Net profit after taxes, minority interest and share of profit/(loss) of Associate company		<u>544.66</u>	<u>549.35</u>
Earnings per share - Basic and Diluted (Nominal value Re 1 per share) - in Rs.		6.41	6.46
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, 25 April, 2014

For and on behalf of the Board of Directors

S. Coomer
 Secretary

R. G. Kapadia
 P. K. Kataky
 A. K. Mukherjee
 Directors

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	2013-2014 (Rs. In Crores)	2012-2013 (Rs. In Crores)
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	786.71	777.13
Adjustment for :		
Depreciation	140.40	122.00
Profit on Fixed Assets sold	(0.57)	(0.07)
Loss on Fixed Assets sold / discarded	0.29	0.53
Dividend Income	(19.39)	(48.13)
Interest Expense	7.61	9.06
Interest Income	(420.68)	(1.55)
Loss on revaluation/change in fair value	(104.93)	(0.04)
Loss on sale of investments	(156.34)	(5.21)
Change in valuation of liability against life policies	716.91	3.28
	<u>163.30</u>	<u>79.87</u>
Operating profit before working capital changes	950.01	857.00
Increase in Trade Receivables (net of provision)	(66.48)	(106.14)
Decrease / (Increase) in Inventories	104.53	(249.44)
(Increase) / Decrease in Loans & Advances	(9.46)	28.59
Increase in Current Liabilities	<u>111.30</u>	<u>78.77</u>
Cash generation from operations	1,089.90	608.78
Direct Taxes Paid (net of refund)	(234.55)	(209.57)
Net Cash from operating activities	855.35	399.21
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(157.89)	(172.20)
Sale of Fixed Assets	2.02	1.30
Acquisition of Business	-	(7.94)
Cash acquired through business acquisition	-	126.58
Purchase of Insurance Investments	(28,508.78)	-
Sale of Insurance Investments	27,875.92	-
Acquisition of Shares	-	(552.85)
Purchase of Mutual Fund units	(1,344.00)	(1,935.58)
Sale of Mutual Fund units	1,151.00	2,389.23
Investment with Bank	-	1.00
Interest Received	378.59	9.43
Dividend received	17.70	<u>51.44</u>
Net Cash used in investing activities	(585.44)	(89.59)
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings	1.92	-
Repayment of Long Term Borrowings	(38.10)	(5.05)
Net increase/(decrease) in other borrowings	-	24.09
Buyback of Shares	-	(2.54)
Dividends Paid (including tax)	(171.35)	(162.11)
Interest Paid	(7.80)	(9.58)
Net Cash used in financing activities	<u>(215.33)</u>	<u>(155.19)</u>
Net Increase/(decrease) in cash and cash equivalents	54.58	154.43
Effect of Foreign Currency Translation	11.73	3.29
Cash and cash equivalents - Opening Balance #	<u>220.51</u>	<u>62.79</u>
Cash and cash equivalents - Closing Balance #	<u>286.82*</u>	<u>220.51</u>

as disclosed in Note 28

* Includes Rs. 5.11 crs (PY Rs. 4.40 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, 25 April, 2014

S. Coomer
Secretary

For and on behalf of the Board of Directors

R. G. Kapadia
P. K. Kataky
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 2014**

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 under the Companies Act, 1956, read with General Circular 8/2014 dated 4th April 2014, issued by the Ministry of Corporate Affairs. 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 Sri Lanka 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.

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

Interest

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

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.

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:

Particulars	Useful economic life (in year)
Air conditioners, Refrigerators, Washing Machines, Water Coolers, Televisions (included in Furniture & Fittings)	6
Motor Vehicles	4 - 6
Computer Hardware	3-5
Weighing Scales & Transformers	15
Pallet Trucks	10
Building	30
Plant & Machinery	3 - 10
Furniture Fittings, Office Equipment	2 - 10
Tools and Moulds	5
Intangibles(includes software)	Period of license/estimated useful life, not exceeding 3 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 costs are amortized on a straight-line pro-rata basis over their estimated useful life of five years.
- iii) Acquired Goodwill is amortised on a straight line pro-rata basis over a period of five years and also tested for impairment every year. However, the carrying amount of goodwill arising on consolidation is reviewed at each balance sheet date to determine if there is any indication of impairment based on external / internal factors.

h. Expenditure on new projects and substantial expansion

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

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

i. Borrowing Costs

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

j. Leases

i) Finance lease :

- a) Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are

apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

- b) Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

ii) **Operating leases :**

- a) Assets acquired under Operating Leases represent assets where the lessor effectively retains substantially all the risks and benefits of their ownership. Operating lease payments are recognized as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.
- b) Assets given under operating leases are included in fixed assets. Lease income is recognized in the statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of Profit and Loss.

k. **Foreign Currency Transactions**

(i) **Initial Recognition :**

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

(ii) **Conversion :**

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

(iii) **Exchange Differences :**

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

(iv) **Forward Exchange Contracts :**

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

(v) **Translation of Non-Integral Foreign Currency Operations :**

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

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

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

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

n. Excise Duty

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

o. Retirement and other employee benefits

- i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to Statement of Profit and Loss of the year when the employee renders the service. There are no obligations other than the contribution payable to the respective trusts.
CBSEA participates in the national pension schemes as defined by the laws of Singapore and makes contributions to the Central Provident fund scheme in Singapore.
- ii) Gratuity and Post retirement Medical Benefit liability are defined benefit obligations and where material, are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year, while Short term compensated absences are provided for based on management estimates.
- iv) Payments made under the Voluntary Retirement Scheme are charged to the statement of Profit and Loss.
- v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in note no. '42' below. The contributions towards defined contribution are charged to the statement of Profit and Loss of the year when the contribution becomes due. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.
- vi) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.
- vii) The current and non-current bifurcation is done as per Actuarial report.

p. Segment reporting

The Group's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that

offers different products and serves different markets. The analysis of geographical segments is based on the areas in which customers of the Group are located.

q. Taxation

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

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

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

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

r. Provision

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

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

s. Contingent Liabilities

No provision is made for liabilities, which are contingent in nature, but if material, these are disclosed by way of notes. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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 maturing within twelve months from the balance sheet date and made with the specific intention to dispose off within twelve months from balance sheet date are classified as short-term investments. Investments other than short - term investments are classified as long-term investments.

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

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

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

Non-linked policyholders' and shareholders' investments

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

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

Listed shares as at the balance sheet date are stated at fair value, at the last quoted closing price on the National Stock Exchange Limited ('NSE') being the primary exchange and if not quoted on NSE then at last quoted closing price on the Bombay Stock Exchange Limited ('BSE'). Mutual fund units as at the balance sheet date are valued at previous day's net asset values of respective mutual fund.

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

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

Impairment evaluation is a complex process that inherently involves significant judgments and uncertainty that may have a material impact on the financial statements. For debts securities, such consideration includes actual and estimated incurred credit losses indicated by payment default, market data (estimated) incurred losses and other current evidence that the issuer may be unlikely to pay amounts when due. Equity securities are impaired when the management believes that, based on (combination of) a significant or prolonged decline of fair value below the acquisition cost, there is sufficient reason to believe that the acquisition cost may not be recovered. An impairment loss shall be recognised as an expense in revenue / 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 (computed on a weighted average basis) or amortized cost for discounted instruments as on the date of sale.

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

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

Transfer of investments between Shareholders and Policyholders

In order to meet the deficit in the Policyholders' account the Company transfers cash or investments from Shareholders' fund to Policyholders' fund in compliance with IRDA circulars.

v) Actuarial Liability Valuation

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

vi) Fund for Future Appropriation

Linked business

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

Participating business

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

vii) Loans against policies

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

viii) Service Tax

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

v Principles of consolidation of financial statements :

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

- i. The financial statements of the company and its subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/ loss included therein.
- ii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the company's separate financial statements. All the subsidiaries follow financial year as accounting year.
- iii. The excess / shortfall of cost to the company of its investments in the subsidiary companies is recognized in the financial statements as goodwill / capital reserve, as the case may be.
- iv. The subsidiary companies considered in the financial statements are as follows :

<u>Name</u>	<u>Country of Incorporation</u>	<u>% of ownership interest as on March 31, 2014</u>	<u>% of ownership interest as on March 31, 2013</u>
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	100

Name	Country of Incorporation	% of ownership interest as on March 31, 2014	% of ownership interest as on March 31, 2013
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	100

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

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.

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	March 31, 2014 (Rs. In Crores)	March 31, 2013 (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
	<u>100.00</u>	<u>100.00</u>
b) Issued, subscribed & fully paid-up		
850,000,000 (PY: 850,000,000) Equity Shares of Re. 1 each	85.00	85.00
	<u>85.00</u>	<u>85.00</u>

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

c) Terms / rights attached to equity shares

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

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

During the year ended 31st March 2014, the amount of per share Dividend recognised as distributions to equity shareholders was Rs. 1.80 per share (PY Rs. 1.60 per share)

d) Details of shareholders holding more than 5% shares in Company	March 31, 2014 Number of Shares	March 31, 2013
Name of Shareholder		
Chloride Eastern Limited, UK holding 45.99% (PY 45.99%)	39,09,54,666	39,09,54,666
Life Insurance Corporation of India holding 7.35% (PY 5.82%)	6,24,95,230	4,94,32,813
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	40.37	42.22
Less : Adjusted towards assets sold / discarded	0.14	0.25
Less : Transfer to Depreciation Account	1.55	1.60
Closing Balance	<u>38.68</u>	<u>40.37</u>
b) Securities Premium Account		
Balance as per Last Account	737.88	737.88
c) General Reserve		
Balance as per Last Account	1,054.65	996.15
Add : Amount transferred from Statement of Profit and Loss	50.70	58.50
Closing Balance	<u>1,105.35</u>	<u>1,054.65</u>

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
d) Contingency Reserve *		
Balance as per Last Account	25.00	25.00
e) Capital Redemption Reserve **		
Balance as per Last Account	0.80	-
Add : Created during the year	-	0.80
	<u>0.80</u>	<u>0.80</u>
f) Credit/(debit) Fair value Change Account of Life Insurance Business		
Balance as per Last Account	0.02	-
Add : Amount transferred from Statement of Profit and Loss	4.04	0.02
Closing Balance	<u>4.06</u>	<u>0.02</u>
g) Capital Reserve		
Balance as per Last Account	2.89	5.35
Less : Amount transferred to Statement of Profit and Loss	-	2.46
Closing Balance	<u>2.89</u>	<u>2.89</u>
h) Foreign Currency Translation Reserve		
Balance as per Last Account	20.66	17.37
Add : Movement for the year	11.73	3.29
Closing Balance	<u>32.39</u>	<u>20.66</u>
i) Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	1,112.42	778.36
Profit for the year	544.66	549.35
Add : Amount transferred from Capital Reserve	-	2.46
Less : Appropriations		
Proposed final equity dividend		
(amount per share Re 0.70 (PY Re 0.60))	(59.50)	(51.00)
Tax on proposed equity dividend	(9.32)	(5.75)
Interim dividend (amount per share Rs. 1.10 (PY Re. 1.00))	(93.50)	(85.00)
Tax on interim dividend	(16.45)	(16.70)
Transfer to General reserve	(50.70)	(58.50)
Transfer to Capital redemption reserve	-	(0.80)
Total Appropriations	<u>(229.47)</u>	<u>(217.75)</u>
Net Surplus in Statement of Profit and Loss	<u>1,427.61</u>	<u>1,112.42</u>
	<u>3,374.66</u>	<u>2,994.69</u>
* 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		
Balance of equity as on acquisition date	3.75	4.61
Less : Adjustment on buy back of shares from minority shareholders in ESPEX	-	0.86
	<u>3.75</u>	<u>3.75</u>
	<u>7.93</u>	<u>7.41</u>
Add : Movement in equity from acquisition date to 31.03.2014	<u>11.68</u>	<u>11.16</u>

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
5 LONG TERM BORROWINGS		
a) NON-CURRENT PORTION		
Buyers Credit from HDFC Bank Limited (Secured)*	2.30	-
Deferred Payment Liabilities from Sales Tax		
Deferral Scheme (unsecured)**	2.00	2.38
	<u><u>4.30</u></u>	<u><u>2.38</u></u>
b) CURRENT MATURITIES		
Deferred Payment Liabilities from Sales Tax		
Deferral Scheme (unsecured)**	0.38	0.21
	0.38	0.21
Less : Amount disclosed under the head "other current liabilities" (note 12)	0.38	0.21
	<u><u>-</u></u>	<u><u>-</u></u>
* Secured by hypothecation of the underlying asset being equipments related to the battery breaking plant. Repayable in a bullet instalment within 2 years from date of loan being 28th December 2013 i.e. on 28th December 2015. In respect of currency swap derivative contracts entered into by CML and has fully covered its outstanding borrowings in respect of its buyers credit for the exchange risk as well as the interest rate risk .Hence no effect of exchange fluctuations has been given for the same. The interest rate payable for the said loan is 10.95 %.		
** Liability under Sales Tax Deferral Scheme is payable in 5 equal yearly instalments after 10 years of accrual and carrying no interest.		
6 DEFERRED TAX LIABILITY (NET)		
a) Deferred tax liability :		
Arising out of timing difference in depreciable assets	105.07	97.52
Expenses claimed as deduction under the respective Income Tax Laws, but not booked in current year	25.11	22.23
b) Deferred tax assets :		
On expenses allowable against taxable income in future years	9.98	8.89
Expenses disallowed in earlier assessments which are being contested	8.42	7.20
	<u><u>111.78</u></u>	<u><u>103.66</u></u>
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.		
7 OTHER LONG TERM LIABILITIES		
a) Trade payables	3.70	3.68
b) Others - For Expenses	2.23	3.68
	<u><u>5.93</u></u>	<u><u>7.36</u></u>
Trade payables represent retention money withheld and which are payable after more than 12 months from the Balance Sheet date.		

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
8 LONG TERM PROVISIONS		
Provision for employee benefits (refer note 42)		
Post retirement medical benefits	3.46	3.35
Gratuity	3.27	4.99
Leave benefits	18.84	17.27
Pension	1.35	1.13
	<u>26.92</u>	<u>26.74</u>
9 POLICYHOLDERS' FUND		
Non-current		
Policy liabilities		
Par	2,228.62	1,923.18
Non par	765.45	456.61
Annuity	13.93	9.19
Pension	1,079.13	1,062.51
VIP Non Par Pension	88.45	–
Credit/(debit) balance in fair value change account (net)	4.82	(9.48)
Provision for linked liabilities	2,179.60	2,622.96
Fair value change (linked)	265.94	160.87
Non-unit liabilities	13.03	11.97
	<u>6,638.97</u>	<u>6,237.81</u>
10 SHORT TERM BORROWINGS		
SECURED		
a) From Banks		
Overdraft	10.51	48.61
i. Includes Rs. 7.14 crs of working capital loan repayable on demand of CML secured by hypothecation of stocks and book debts and first charges on the entire fixed assets.		
ii. Includes Rs. 1.40 Crs (PY Rs. 0.01 Crs) of bank overdrafts of CBSEA bearing interest at 0.50 % per annum over the bank's prevailing prime lending rate which is 5.5% (PY 6%). The above amount is secured over the property of CBSEA.		
iii. In the previous year secured by exclusive first charge by way of hypothecation of current assets and exclusive first charge on all movable and immovable fixed assets of CAIL. It includes working capital demand loan Rs. 48.0 Crs carrying interest @ 10.2% repayable as bullet payment on maturity date.	<u>10.51</u>	<u>48.61</u>
11 TRADE PAYABLES		
Trade payable for goods & services (refer note no 50)	1,040.35	883.63
Acceptances	80.51	111.76
	<u>1,120.86</u>	<u>995.39</u>

12 OTHER CURRENT LIABILITIES

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
a) Current maturities of long-term debts	0.38	0.21
b) Interest accrued on borrowings :		
Not due	0.13	0.18
c) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	5.11	4.40
d) Other payables -		
For Capital Goods	17.15	20.54
Taxes and duties payable	52.56	61.92
Advances from customers	15.72	16.99
For selling Expenses	108.86	114.83
For Other Expenses	153.00	172.41
	<u>352.91</u>	<u>391.48</u>

13 SHORT-TERM PROVISIONS

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
a) Provision for employee benefits (refer note 42)		
Post retirement medical benefits	0.24	0.26
Gratuity	1.05	1.01
Leave benefits	3.65	4.16
b) Other provisions		
Warranty Claims	124.62	118.88
Income Tax (net of advance Tax)	0.74	2.18
Proposed dividend	59.50	51.00
Tax on proposed dividend	9.32	5.75
	<u>199.12</u>	<u>183.24</u>

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

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
Add : Provision created during the year	118.88	89.51
Less : Product related warranties during the year	178.62	173.24
Add : Effect of Foreign Exchange Movements	173.01	143.97
	<u>0.13</u>	<u>0.10</u>
Closing Balance	<u>124.62</u>	<u>118.88</u>

14 POLICYHOLDERS' FUND
Current
Policy liabilities

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
Par	463.31	168.42
Non par	24.93	18.03
Pension	0.21	0.20
Provision for linked liabilities	22.31	14.91
	<u>510.76</u>	<u>201.56</u>

15. TANGIBLE ASSETS

	(Rs. In Crores)									
	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Office Equipment	Furniture & fittings	Vehicles	Computers	Total
Cost										
As at 1st April 2012	42.08	20.15	299.18	1,353.59	134.88	7.57	12.44	6.41	21.69	1,897.99
Additions	0.15	11.26	10.20	97.16	17.28	0.63	0.79	0.29	3.10	140.86
Addition on acquisition of a Subsidiary	-	-	44.56	-	-	13.92	7.63	7.34	24.08	97.53
Acquisition through Purchase of business	-	2.90	2.83	0.20	-	0.05	-	-	-	5.98
Disposals	-	-	0.09	11.73	5.99	0.26	0.11	0.27	2.16	20.61
As at 31st March 2013	42.23	34.31	356.68	1,439.22	146.17	21.91	20.75	13.77	46.71	2,121.75
Forex Adjustment	0.69	-	7.79	6.63	-	-	2.23	0.99	-	18.33
Additions	0.60	-	12.57	95.58	14.24	2.34	1.06	0.50	4.23	131.12
Disposals/adjustments	-	0.07	0.41	9.82	5.28	1.15	0.68	1.43	12.30	31.14
As at 31st March 2014	43.52	34.24	376.63 (b)	1,531.61	155.13	23.10	23.36	13.83	38.64	2,240.06
Depreciation										
As at 1st April 2012	-	3.17	74.77	664.36	75.97	-	13.33	3.36	17.48	852.44
Addition on acquisition of a Subsidiary	-	-	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
Forex Adjustment	-	-	3.90	4.36	-	-	1.73	0.69	-	10.68
Charge for the year	-	0.47	11.43	103.13	12.68	0.63	1.02	1.18	3.17	133.71
Disposals	-	-	0.36	9.35	5.16	1.07	0.53	1.36	12.24	30.07
As at 31st March 2014	-	3.92	140.41	847.53	88.91	-	37.36	11.83	30.79	1,160.31
Net Block										
As at 31st March 2013	42.23	30.86	231.24	689.83	64.78	-	(14.39)	2.45	6.85	1,075.76
As at 31st March 2014	43.52	30.32	236.22 (d)	684.08	66.22	-	(14.00)	2.00 (e)	7.85	1,079.75

- a. Conveyance deeds for certain immovable properties valued at Rs. 3.77 crs (Rs. 3.77 crs) are pending execution.
- b. Includes Rs. 0.10 crs (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, Building and Plant & Machinery
CPSSL	2006	Land, Building and Plant & Machinery
CAIL	2008	Land, Building and Plant & Machinery
CBSEA	1992	Land, Building and Plant & Machinery
ABML	1990/1991	Land and Building
CML	2008	Land, Building and Plant & Machinery

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

- d. Includes leasehold buildings Rs. 7.85 crs. (PY Rs.4.56 crs.) and leasehold improvement Rs.2.51 crs. (PY Rs.2.81 crs.)
- e. Includes motor vehicles held under hire purchase contract Rs. 0.37 crs. (PY Rs. 0.48 crs.)

16. INTANGIBLE ASSETS

Cost

	Goodwill	Trade Mark	Computer Software	Total
As at 1st April 2012	12.10	-	1.95	14.05
Additions	-	-	6.56	6.56
Acquisition through Purchase of business	0.03	1.57	22.62	24.22
Disposals	-	-	-	-
As at 31st March 2013	<u>12.13</u>	<u>1.57</u>	<u>31.13</u>	<u>44.83</u>
Additions	-	-	13.09	13.09
Disposals	-	-	-	-
As at 31st March 2014	<u>12.13</u>	<u>1.57</u>	<u>44.22</u>	<u>57.92</u>
Amortisation				
As at 1st April 2012	1.56	-	0.51	2.07
Addition on acquisition of a Subsidiary	-	-	19.92	19.92
Charge for the year	2.22	0.16	0.84	3.22
As at 31st March 2013	<u>3.78</u>	<u>0.16</u>	<u>21.27</u>	<u>25.21</u>
Charge for the year	2.22	0.32	5.70	8.24
As at 31st March 2014	<u>6.00</u>	<u>0.48</u>	<u>26.97</u>	<u>33.45</u>
Net Block				
As at 31st March 2013	8.35	1.41	9.86	19.62
As at 31st March 2014	<u>6.13</u>	<u>1.09</u>	<u>17.25</u>	<u>24.47</u>

17 GOODWILL ON CONSOLIDATION

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
Balance as per Last Account	581.90	46.71
Add : On consolidation of IVL	-	535.13
Add : On ESPEX becoming a wholly owned subsidiary	-	0.06
Closing Balance	<u>581.90</u>	<u>581.90</u>

Based on the past share valuation of IVL, coupled with improvement in the profitability in the current year and the profitable operations of all other subsidiaries, the company has concluded that there is no impairment of Goodwill arising on consolidation.

		March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
Non- current Investments			
18 INVESTMENTS OF LIFE INSURANCE BUSINESS			
i) Shareholders' Investments			
(valued at cost unless otherwise specified)			
Quoted (Trade)			
Investment in			
Government or Trust Securities	251.85	171.32	
Debentures/Bonds	96.95	77.34	
	<u>348.80</u>	<u>248.66</u>	
ii) Policyholders' Investments			
(valued at cost unless otherwise specified)			
Quoted (Trade)			
Investment in			
Equity instruments (at market value)	192.78	149.79	
Government or Trust Securities	2,428.66	1,702.58	
Debentures/Bonds	1,789.63	1,560.67	
	<u>4,411.07</u>	<u>3,413.04</u>	
	<u>4,759.87</u>	<u>3,661.70</u>	
Aggregate value of quoted investments	<u>4,759.87</u>	<u>3,661.70</u>	
(Market value Rs. 4,576.78 Crs (PY Rs. 3,713.46 Crs))			
19 OTHER INVESTMENTS			
(Valued at cost unless stated otherwise)			
Trade (unquoted)			
GOVERNMENT SECURITIES			
Government Securities	0.01	0.01	
(lodged as security deposits with various authorities)			
Non Trade			
UNQUOTED, AT COST			
Investments in debenture/bonds	- ^	-	
OTHERS			
Faering Capital (76,901 units of Rs. 1000 each (PY 76,901 units))	7.69	7.69	
Haldia Integrated Development Agency Ltd. (500,000 units of Rs. 10 each (PY 500,000 units))	0.50	0.50	
Brown Group Motels Ltd. (20,000 shares of Srilanka Rupees 10 each (PY 20,000 shares))	0.01	0.01	
Investment in Property	-	0.51	
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	
	<u>34.43</u>	<u>34.94</u>	
(i) Aggregate value of unquoted investments	8.21	8.72	
(ii) Aggregate value of quoted investments (Market value Rs. 27.80 Cr (PY Rs. 29.42 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.			

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
20 ASSETS HELD TO COVER LINKED LIABILITY OF LIFE INSURANCE BUSINESS (Valued at market value)		
Non-current, quoted, trade investments in		
Equity Instruments	1,512.50	1,715.42
Government or Trust Securities	384.41	234.55
Debentures/Bonds	388.44	426.78
	<u>2,285.35</u>	<u>2,376.75</u>
Aggregate market value of quoted investments	<u>2,285.35</u>	<u>2,376.75</u>
Rs. 2,285.35 Crs (PY Rs. 2,376.75 Crs)		
21 LONG-TERM LOANS AND ADVANCES		
i) Unsecured considered good, unless otherwise stated		
a) Capital advances	14.07	5.33
b) Advances recoverable in cash or kind	-	2.31
c) Deposit - Others	24.96	28.87
d) Prepaid expenses	8.19	1.71
e) Advance Payment of Income Tax (net of Provisions)	37.53	37.10
f) Loans against Insurance Policy(secured)	46.70	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	0.22	0.39
ii) Unsecured considered doubtful		
a) Advances recoverable in cash or kind	5.31	5.04
b) Balances with Customs,Sales Tax & Excise Authorities	1.07	1.93
c) Deposit - Others	0.10	0.10
	<u>138.16</u>	<u>112.66</u>
Less : Provision for doubtful deposits and advances	<u>6.48</u>	<u>7.07</u>
	<u>131.68</u>	<u>105.59</u>
22 OTHER NON-CURRENT ASSETS		
Unsecured considered good, unless otherwise stated		
a) Trade Receivables	1.20	1.45
b) Others	3.07	0.06
	<u>4.27</u>	<u>1.51</u>

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

		March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
CURRENT ASSETS			
Current Investments			
23 INVESTMENTS OF LIFE INSURANCE BUSINESS			
i) Shareholders' Investments <i>(valued at cost unless otherwise specified)</i>			
Quoted (Trade)			
Investment in			
Government or Trust Securities	2.70	0.13	
Debentures/Bonds	-	5.00	
Mutual Fund (at market value)	133.60	10.35	
Certificate of deposits	-	39.29	
	136.30	54.77	
ii) Policyholders' Investments <i>(valued at cost unless otherwise specified)</i>			
Quoted (Trade)			
Investment in			
Government or Trust Securities	0.98	7.58	
Debentures/Bonds	17.50	5.00	
Mutual Fund (at market value)	75.41	28.99	
Certificate of deposits	-	44.08	
	93.89	85.65	
	230.19	140.42	
Aggregate market value of quoted investments Rs. 229.91 Crs (PY Rs 140.46 Crs)	230.19	140.42	
24 OTHER INVESTMENTS (At lower of cost and fair value)			
Units of mutual funds (Non Trade)			
Unquoted	379.33	184.26	
	379.33	184.26	
Aggregate value of unquoted investments	379.33	184.26	
25 ASSETS HELD TO COVER LINKED LIABILITY OF LIFE INSURANCE BUSINESS (valued at market value)			
Current, quoted, trade investments in			
Government or Trust Securities	78.95	0.32	
Debentures/Bonds	35.61	110.46	
Mutual Funds	83.98	80.12	
Certificate of deposits	1.90	197.88	
	200.44	388.78	
Other current assets			
Bank balances	1.69	1.76	
Interest and dividend accrued on investments	27.24	26.94	
Outstanding contracts (net)	9.50	14.40	
	38.43	43.10	
	238.87	431.88	
Aggregate Market value of quoted investments Rs. 200.44 Crs (PY Rs. 388.78 Crs)	200.44	388.78	

	March 31, 2014 (Rs. In Crores)	March 31, 2013 (Rs. In Crores)
26 INVENTORIES (At Lower of cost and net realisable value)		
a) Stores, spare parts, loose tools etc.	25.79	27.71
b) Raw materials and components [Including in transit Rs. 66.62 crs (PY Rs. 177.17 crs)]	413.60	527.90
c) Work-in-progress	361.29	386.46
d) Finished goods Add Excise Duty	435.80 59.80	397.28 59.87
e) Trading Goods including in transit Rs. 0.17 crs (PY Rs. nil)	6.58	8.17
	1,302.86	1,407.39
27 TRADE RECEIVABLES (Unsecured)		
a) Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	18.82	34.53
Doubtful	2.41	2.20
	21.23	36.73
Less :- Provision for doubtful debts	2.41	2.20
	18.82	34.53
b) Other Debts		
Considered good	639.60	557.28
	658.42	591.81
28 CASH AND BANK BALANCE Cash and Cash Equivalents		
a) Balances with banks on		
Current Account	249.48	177.74
Deposit having original maturity of three months or less	0.01	0.01
b) Cheques, drafts in hand	23.53	27.99
c) Cash in hand	8.69	10.37
d) Unpaid Dividend Account	5.11	4.40
	286.82	220.51
29 SHORT-TERM LOANS AND ADVANCES Unsecured, considered good		
a) Advances recoverable in cash or kind	32.17	27.91
b) Prepaid expenses	14.38	13.22
c) Balances with Customs, Sales Tax & Excise Authorities	17.25	13.00
d) Deposits - Others	10.79	7.67
e) Loans to employees	1.54	1.37
	76.13	63.17
30 OTHER CURRENT ASSETS Unsecured, Considered good		
a) Interest accrued on deposits and others	125.05	101.54
b) Others - related to life insurance business*	231.77	249.19
	356.82	350.73
* Comprises of :		
Investment held to meet Policy holders dues/Claims	179.95	175.94
Unit subscription Receivable-Policyholder	35.53	66.94
Due from employee on termination	3.82	4.73
Others	12.47	1.58
	231.77	249.19

31 REVENUE FROM OPERATIONS

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
A. Sale of products		
Finished Goods	6,997.13	7,040.50
Traded Goods	<u>38.55</u>	<u>66.63</u>
	7,035.68	7,107.13
Less : Excise duty	<u>793.38</u>	<u>793.58</u>
	6,242.30	6,313.55
B. Sale of Services		
Life Insurance premium	1,824.03	47.58
C. Other Operating Income		
Investment Income of Life Insurance Policyholders' Fund related to Non-Linked Business	242.52	4.76
	<u>8,308.85</u>	<u>6,365.89</u>

- (i) Sales are net of price adjustments, discounts, trade incentives, VAT, Sales Tax etc.
- (ii) Excise duty includes Rs. 42.17 crs (PY Rs. 35.51 crs) paid on batteries issued towards warranty claims.

Details of products sold
Finished goods

Storage batteries	6,821.70	6,865.58
Home UPS Systems	107.20	135.04
Lead & Lead Alloy	50.15	21.84
Battery chargers, UPS, etc.	18.08	18.04
	<u>6,997.13</u>	<u>7,040.50</u>

Traded goods

Storage batteries	10.88	48.52
Home UPS Systems	1.62	2.56
Solar Lanterns and Homelights	26.05	15.55
	<u>38.55</u>	<u>66.63</u>

32 OTHER INCOME

Interest Income on		
Bank deposits	-	0.24
Others	0.84	0.47
Interest Income on investments		
Long term	25.74	0.47
Current	2.22	0.37
Dividend Income on current investments	19.39	48.13
Net gain on sale of long term investments	9.81	0.22
Net gain on sale of fixed assets	0.57	0.07
Bad debt recovered	0.04	0.36
Other non-operating income	12.19	5.72
	<u>70.80</u>	<u>56.05</u>

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
33 COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Opening Stock	527.90	481.52
Add : Purchases (including Processing charges, Procurement expenses etc, and after adjusting Cenvat Credits)	3,802.87	4,255.07
	4,330.77	4,736.59
Less : Closing Stock	413.60	527.90
	3,917.17	4,208.69
Materials consumed includes warranty costs Rs.134.34 crs (Rs.134.16 crs), export incentives Rs.4.77 crs (PY Rs.5.64 crs).		
34 INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
Opening Stock		
Work-in-progress	386.46	308.24
Finished goods	397.28	289.67
Traded Goods	8.17	7.30
	791.91	605.21
Closing Stock		
Work-in-progress	361.29	386.46
Finished goods	435.80	397.28
Traded Goods	6.58	8.17
	803.67	791.91
Increase / (Decrease) in Excise Duty on Finished Goods	0.07	(13.60)
	(11.69)	(200.30)
35 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	583.82	331.96
Contribution to provident and other funds (Refer Note 42)	34.78	26.28
Staff welfare expenses	63.52	44.93
	682.12	403.17
36 FINANCE COSTS		
Interest expenses	7.53	8.98
Other borrowings costs	0.08	0.08
	7.61	9.06
37 DEPRECIATION AND AMORTISATION		
Depreciation of tangible assets	133.71	120.38
Amortisation of intangible assets	8.24	3.22
Less : Transfer from revaluation reserve	(1.55)	(1.60)
	140.40	122.00

38 OTHER EXPENSES

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)
Stores and spare parts consumed	61.84	64.68
Power and fuel	258.59	261.19
Battery Charging / Battery assembly expenses	82.57	90.41
Repairs and maintenance		
Buildings	9.24	8.01
Plant & machinery	33.56	28.45
Others	17.19	8.23
Rent & Hire Charges	83.26	23.53
Rates and taxes	7.22	2.97
Insurance	3.42	2.96
Commission	134.42	6.63
Royalty and Technical Aid Fees	27.53	27.08
Benefits paid to Life insurance policyholders	1,153.40	32.70
Publicity and Sales Promotion	162.82	75.46
Freight & Forwarding (net)	189.91	200.94
Cash Discounts	55.33	58.11
After Sales Services	40.23	32.92
C & F Expenses	23.05	21.71
Travelling & Conveyance	34.97	21.12
Bank Charges	6.62	2.77
Communication Costs	15.68	5.79
Donations	0.01	0.26
Directors' Sitting Fees	0.08	0.03
Loss on Fixed assets sold/discarded	0.29	0.53
Auditors' Remuneration :		
As Auditors		
- For Statutory audit	0.97	0.71
- For Limited Reviews	0.31	0.26
- For Others	0.07	0.04
As Tax Auditors	0.11	0.07
Other Services	0.19	0.05
Out of pocket expenses	0.09	0.06
Bad Debts written off	0.04	0.06
Provision for doubtful debts	0.10	0.60
Provision for doubtful Loans and Advances	0.03	0.88
Net foreign exchange rate difference Loss	0.12	1.27
Miscellaneous expenses (refer Note 39)	68.54	43.93
	2,471.80	1,024.41

- 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. 12.72 crs. (Rs. 11.10 crs), including capital expenditure Rs. 3.05 crs. (Rs. 0.20 crs), was spent on Research and Development work.
- ii) Stores and Spares consumed of EIL is exclusive of Rs. 0.33 crs (Rs 0.69 crs) being the amounts allocated to other heads of expenses.
- iii) Rent and Hire charges of EIL include Rs 0.47 crs (Rs. 0.51 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.

	2013-14 (Rs. In Crores)	2012-13 (Rs. In Crores)		
39 MISCELLANEOUS EXPENSES				
Motor Vehicle Running Expenses	5.51	6.34		
Consultancy & Services outsourced	24.67	10.31		
Security Service Charges	9.53	8.19		
General Expenses	3.22	2.44		
Legal Expenses	6.35	2.98		
Printing & Stationery	9.10	5.57		
TQM Expenses	0.27	0.21		
CSR Expenses	1.49	1.60		
Pollution Control Expenses	6.01	4.06		
Testing Charges	0.96	0.52		
Liquidated Damages	0.81	0.57		
Battery Erection / Installation Costs	0.62	1.14		
	68.54	43.93		
40 CHANGE IN VALUATION OF LIABILITY IN RESPECT OF LIFE INSURANCE POLICIES IN FORCE				
Surplus/(deficit) in par and unit linked funds adjusted from existing surplus	2.96	0.03		
Release from funds for Future Appropriation	–	(0.10)		
Change in valuation of liability in respect of life insurance policies in force	713.95	12.82		
Investment income on Life Insurance Policyholder fund related to linked business	(431.75)	(9.00)		
	285.16	3.75		
41 SEGMENT REPORTING				
The group's business is organized in three primary business segments, 'Storage Batteries & allied products', 'Solar Lantern & Homelights' & '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 2014		(Rs. In crs)		
Particulars	Storage Batteries & allied products	Life Insurance Business	Others	Total
Revenue (Gross Sale)	7,009.20	2,066.99	26.04	9,102.23
Segment Results	667.71	53.03	2.78	723.52
Unallocated expenses				–
Operating Profit				723.52
Finance Cost				7.61
Other income including finance income				70.80
Profit before tax				786.71
Income taxes				240.55
Profit after tax				546.16
As at 31st March 2014				
Segment assets	3,315.38	7,696.32	1.43	11,013.13
Unallocated assets				1,480.75
Total assets				12,493.88

(Rs. In crs)

Particulars	Storage Batteries & & allied products	Life Insurance Business	Others	Total
Segment liabilities	1,280.28	7,651.39	6.85	8,938.52
Unallocated liabilities				15.20
Total liabilities				8,953.72
Other Segment information				
Capital expenditure :				
Tangible assets	254.62	-	-	254.62
Intangible assets	13.09	-	-	13.09
Depreciation	129.08	3.02	0.06	132.16
Amortization	5.75	2.49	-	8.24

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
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	3.19	0.03	-	3.22
Other non-cash expenses				

Geographical Segments

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

Year ended 31st March 2014	India	Overseas	Total
Particulars			
Revenue (Gross Sale)	8,612.95	489.28	9,102.23
Other Segment information :			
Segment assets	10,772.60	240.53	11,013.13
Unallocated assets			1,480.75
Additions :			
Tangible assets	249.99	4.63	254.62
Intangible assets	13.09	-	13.09

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

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.

	Rs Crores			Rs Crores		
	For the year ended 31st March 2014			For the year ended 31st March 2013		
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)		
I. Expenses recognised in the Statement of Profit & Loss Account						
1. Current / Past Service Cost	6.74	—	0.06	6.26	—	0.11
2. Interest Cost	5.09	0.54	0.29	4.64	0.61	0.29
3. Expected Return on plan assets	5.40	0.43	—	4.98	0.69	—
4. Actuarial (Gains) / Losses	(2.88)	(0.74)	(0.09)	3.67	(0.45)	(0.14)
5. Total Expense	3.55	(0.63)	0.26	9.59	(0.53)	0.26
II. Net Asset / (Liability) recognised in the Balance Sheet						
1. Present Value of Defined Benefit Obligation	66.75	5.82	3.70	66.66	7.26	3.61
2. Fair Value of Plan Assets	66.26	4.47	—	64.02	6.13	—
3. Net Asset / (Liability)	(0.49)	(1.35)	(3.70)	(2.64)	(1.13)	(3.61)
III. Change in Obligation during the year						
1. Present Value of Defined Benefit Obligation at the beginning of the year	66.66	7.26	3.61	56.97	7.25	3.51
2. Current Service Cost / Plan amendments	6.73	—	0.06	6.26	—	0.11
3. Interest Cost	5.09	0.54	0.29	4.64	0.61	0.29
4. Benefits Paid	9.27	1.36	0.17	4.96	0.16	0.16
5. Actuarial (Gains) / Losses	(2.46)	(0.62)	(0.09)	4.01	(0.44)	(0.14)
6. Present Value of Defined Benefit Obligation at the end of the year	66.75	5.82	3.70	66.92	7.26	3.61
IV. Change in the Fair Value of Plan Assets during the year						
1. Plan assets at the beginning of the year	64.02	6.13	—	57.64	8.65	—
2. Expected return on plan assets	5.38	0.43	—	4.98	0.69	—
3. Contribution by employer	5.69	(0.85)	0.17	6.30	(3.06)	0.16
4. Actual Benefits Paid	9.26	1.36	0.17	4.92	0.16	0.16
5. Actuarial Gains/(Losses)	0.42	0.12	—	0.26	0.01	—
6. Plan assets at the end of the year	66.25	4.47	—	64.26	6.13	—
7. Actual return on Plan Assets	5.80	0.55	—	5.24	0.70	—

	Rs Crores			Rs Crores		
	For the year ended 31st March 2014			For the year ended 31st March 2013		
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)		
V. In 2014-15 EIL expects to contribute Rs. 4.00 crs (Rs. 3.90 crs) to gratuity and Rs. 2.00 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	100%	100%	-	100%	100%	-
Investments with insurer						
VII. Actuarial Assumptions	EIL	CML	CPSSL	CAIL	IVL	
1. Discount Rate	8.75 % 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 (8.00%)		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% (2.00%)	10.00% (10.00%)	3.00% (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. 16.85 crs (Rs. 16.48 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 14	Year ended March 13	Year ended March 12	Year ended March 11	Year ended March 10	
1 Gratuity						
Defined Benefit Obligation	66.75	66.66	49.43	47.96	37.46	
Plan Assets	66.25	64.02	50.27	45.27	36.67	
Surplus / (deficit)	(0.49)	(2.64)	0.84	(2.69)	(0.79)	
Experience Gain / (loss) adjustments on plan liabilities	(1.34)	(3.07)	(0.57)	(2.87)	(11.15)	
Experience Gain / (loss) adjustments on plan assets	0.28	(0.11)	0.09	0.30	0.49	
2 Pension						
Defined Benefit Obligation	5.82	7.26	7.25	7.17	9.59	
Plan Assets	4.47	6.13	8.65	9.51	13.01	
Surplus / (deficit)	(1.35)	(1.13)	1.40	2.34	3.42	
Experience Gain / (loss) adjustments on plan liabilities	0.54	0.49	0.19	0.61	(0.03)	
Experience Gain / (loss) adjustments on plan assets	0.12	0.01	0.07	0.09	0.33	
3 Post Retirement Medical Benefit						
Defined Benefit Obligation	3.70	3.61	3.51	3.59	3.11	
Experience Gain / (loss) adjustments on plan liabilities	(0.06)	0.21	0.16	(0.55)	(0.75)	

43 RELATED PARTY DISCLOSURE :
i) Particulars of related parties :

1. 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.

2. Key Management Personnel
 (As on 31st March, 2014)

Mr. P K Kataky
 Mr. G Chatterjee
 Mr. A K Mukherjee
 Mr. Nadeem Kazim
 Mr. T V Ramanathan (upto 30th April, 2013)
 Mr. Subir Chakraborty (wef 1st May, 2014)
 Mr. Supriya Coomer
 Mr. Winston Wong
 Mr. Samyajit Chaudhury
 Mr. R M D Bandara
 Mr. A. Ghosal
 Mr. Raja Choudhury
 Mr. A.B.Oke
 Mr. Sourav Ghosh
 Mr. Surender Joseph
 Mr. Kshitij Jain

3. 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 directors/their relatives are interested		Total	
	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2014	Transaction Value	Balance Outstanding as on 31-03-2014	
Purchases of goods –										
– Brown & Company PLC			–	–				–	–	
– Browns Group Industries Ltd			–	–			5.62 (3.91)	1.04 (0.85)	5.62 (3.91)	1.04 (0.85)
Sale of goods										
– Brown & Company PLC	–	–	75.54 (73.18)	13.49 (13.21)				75.54 (73.18)	13.49 (13.21)	
– Klevenberg (Pvt) limited	–	–				26.43 (29.22)	2.46 (5.34)	26.43 (29.22)	2.46 (5.34)	
Technical Assistance Expenses - CEIL	–	–	0.11 (0.11)	–	–			0.11 (0.11)	–	
Trade Mark Expenses - CEIL	–	–	0.01 (0.05)	–	–			0.01 (0.05)	–	
Dividend paid - Standard Finance Ltd.	–	–	1.32 (0.64)	–	–			1.32 (0.64)	–	
Rental Income - CEIL	–	–	0.06 (0.05)	–	–			0.06 (0.05)	–	
Remuneration										
to Directors	–	–	–	–	11.92			11.92 (8.19)	3.89 (3.54)	
to Others	–	–	–	–	3.44			3.44 (3.10)	–	
- Total	–	–	–	–	15.36 (15.26)			15.36 (15.26)	3.89 (3.54)	

(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 the Company (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 2014 plus additional reserves for excess of expenses over policy charges.

The assumptions used for calculating the liability are provided below :

i. Mortality & Morbidity :

Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate and varies between 99% and 217.5% of the table (last year 90% and 135% of Indian Assured Lives Mortality Table (1994-96)). Morbidity assumption is based on the CIBT 93 Table. For term products, mortality assumption varies between 51% - 145% of the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate (Last Year mortality assumptions for term products were 35%-90% of the Indian Assured Lives Mortality Table (1994-96)).

ii. Expenses :

Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has been made at actual rates payable.

iii. Valuation discount rate :

Between 5.5% to 6.75% p.a. for all products (Last Year between 5.5% to 6.5% p.a. for all products).

Assumptions on future bonus rates for participating business have been set to be consistent with valuation interest rate assumptions.

iv. Lapses :

Future policy lapses have been assumed based on the type of policy and the duration for which the policy has been in force. The lapse rates are based on current experience of the company.

Margins for Adverse Deviation

The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations and actuarial practice standards issued by The Institute of Actuaries of India.

(b) Linked Individual Business

The reserves held under the unit-linked products are the fund balances (unit reserve) as at 31 March 2014 plus non-unit reserves. Additional adjustments have also been made to allow for the following :

- a. Unearned Premium Reserve in respect of mortality charge/rider charge deducted from the policyholder's account every month.
- b. IBNR reserve for death claims incurred but not reported to company as on the valuation date.
- c. Reserve to meet the guarantees for unit linked products.
- d. Non Unit reserves are calculated by discounting future non unit cash flow, determined based on assumptions given below :

i. Mortality & Morbidity :

Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate and varies between 99% and 145% (varies by age), (last year 90% of Indian Assured Lives Mortality Table (1994-96) 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 2014.

(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)

SI 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	0.01	0.01	NIL

46 INVESTMENTS OF LIFE INSURANCE BUSINESS

The Company is maintaining separate funds for Shareholders and Policyholders as per Section 11 (1B) of the Insurance Act, 1938. Investments and related incomes are segregated between Participating, Non Participating, Unit Linked, Annuity and Pension funds. In respect of policyholder funds, the allocation of cash / securities to policyholder is done on a daily basis.

Investments under Section 7 of the Insurance Act, 1938 are in "8.20% GSEC 12-02-2024 OIL BOND (Face Value Rs 12.11 crs)" having Book Value of Rs 11.90 crs and Market Value Rs 11.35 crs.

As on 31 March 2014, none of the investments of the Company have been classified as non-performing as per the income recognition norms issued by the IRDA.

As on 31 March 2014, none of the investments of the Company have been classified / categorised in the definition of Loans & Advances as per circular no 32/2/F&A/Circular/169/Jan/2006-07. In view of this, the company has not made any provisions.

47 OPERATING LEASE COMMITMENTS

The Company has entered into commercial leases on certain items of equipment, machinery, computers, vehicles and building. These leases have an 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 :

	2013-14 (Rs. In crs.)	2012-13 (Rs. In crs.)
Not later than one financial year	38.57	34.95
Later than one financial year but not later than five financial years	73.92	83.96
Later than five financial years	30.28	22.71

Lease rental payments recognised in the revenue account under the head Rent & Hire charges for the current year Rs 35.83 crs (PY Rs 1.07 crs), these figures are exclusive of service tax account. There are no transactions in the nature of sub-leases.

48 EARNINGS PER SHARE (EPS)

Details for calculation of basic and diluted earning per share :

Profit after tax as per Statement of Profit and Loss
Weighted average number of equity share (Numbers)
Basic and diluted earning per share (Rs.)

544.66	549.35
85,00,00,000	85,00,00,000
6.41	6.46

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, 2014 (Rs. In crs.)	As at 31st March, 2013 (Rs. In crs.)
Trade Receivables	8.39	5.87
Trade Payables	122.51	134.54
	<u>130.90</u>	<u>140.41</u>

50 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Principal amount due	14.69	10.95
Interest due on above	0.11	0.02
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	0.01	0.01
Amount of interest due and payable for the period of delay	0.11	0.02
Amount of interest accrued and remaining unpaid as at year end	0.14	0.04
Amount of further interest remaining due and payable in the succeeding year	—	—

51 CAPITAL AND OTHER COMMITMENTS

	As at 31st March, 2014 (Rs. In crs.)	As at 31st March, 2013 (Rs. In crs.)
Commitment for acquisition of fixed assets	121.89	63.59
Commitment for investment	12.31	45.31
Other Commitments	17.00	20.00
	151.20	128.90

52 CONTINGENT LIABILITIES

Outstanding Bank Guarantees / Indemnity Bonds	19.43	18.30
Sales Tax demands	18.17	16.35
Excise Duty demands*	34.53	34.34
Service Tax demands**	231.23	234.46
Income Tax demands	6.96	5.09
Other claims being disputed by the Company	0.44	0.44
Others - Including policy claims under dispute	5.68	1.92
Contractual Obligations in the event of cancellation of contract	3.09	3.55
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	319.53	314.45

* 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.231.23 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. The company had filed an appeal on 25th March 2013 before the Appellate Tribunal (CESTAT) against the above orders.
- b) The stay matter for waiver of pre-deposit of duty, interest and penalty was heard on 01 April 2014. The appellate authority has directed the company to deposit Rs 17 Crores as pre-deposit by 31 May 2014 and the main matter would be taken up later.

- 53 In the current year IVL has exceeded the limits for expenses of management as per Section 40B of the Insurance Act, 1938 read with Rule 17D of the Insurance Rules, 1939. The company has articulated its expense position vis-à-vis business plans, constraints and also submitted that it would not be able to meet the requirements in the financial year 2013-14. Subsequently the company has been granted one year extension to comply with requirement by the IRDA i.e. up to the Financial Year ending 2014-15.

- 54 IVL became a Subsidiary of EIL on 22nd March , 2013 and hence Statement of Consolidated Profit and Loss for FY 12-13 included line by line consolidation of Profit and Loss of IVL only for 10 days from 22nd of March 2013 to 31st of March 2013, as against full year numbers of IVL in current year .Consequently , the figure of CY are not comparable with the figures of previous year to that extent .

- 55 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, 25 April, 2014

As Approved
For and on behalf of the Board of Directors

R. G. Kapadia
P. K. Kataky
A. K. Mukherjee
Directors

S. Coomer
Secretary

INFORMATION REGARDING SUBSIDIARY COMPANIES FOR THE YEAR ENDED AND AS AT MARCH 31, 2014

(Rs. In Crores)

Name of the Subsidiary	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investment			Turnover/ Income	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	9.02	31.58	20.58	—	3.14	3.14	85.62	8.21	2.69	5.52	2.97	—
Chloride Metals Ltd. (Formerly Tandon Metals Ltd.)	15.00	16.79	72.69	40.90	—	—	—	453.05	(3.13)	(0.54)	(2.59)	—	—
Chloride Alloys India Ltd. (Formerly Leadage Alloys India Ltd.)	25.00	24.00	112.23	63.23	—	—	—	733.78	1.96	0.40	1.56	—	—
Chloride International Ltd.	0.45	5.59	6.26	0.22	— **	3.77	3.77	0.65	0.47	0.09	0.38	0.32	—
Chloride Batteries S.E. Asia Pte. Ltd.*	46.35	18.86	125.46	60.25	—	—	—	158.83	0.46	0.07	0.39	—	—
Associated Battery Manufacturers (Ceylon) Ltd. @	3.17	26.02	50.80	21.61	0.01	—	0.01	90.64	5.55	1.66	3.89	2.53	—
Espex Batteries Ltd. #	1.02	2.97	29.23	25.24	—	—	—	45.79	0.78	0.17	0.61	—	—
ING Vysya Life Insurance Company Ltd.	1,600.00	(1,069.98)	8,158.25	7,628.23	4,759.86	230.19	4,990.05	2,112.38	53.03	—	53.03	—	—

* Converted into Indian Rupees at the Exchange Rate, 1 Singapore Dollar = Rs. 47.60 as on 31st March, 2014

@ Converted into Indian Rupees at the Exchange Rate, 1 Sri Lankan Rupees = Re. 0.50 as on 31st March, 2014

Converted into Indian Rupees at the Exchange Rate, 1 Great Britain Pound = Rs. 99.74 as on 31st March, 2014

** Figures being less than Rs 50,000 in each case, have not been disclosed.

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EXIDE INDUSTRIES LIMITED

CIN : L31402WB1947PLC014919

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

Phone : (033) 2283 2120 / 50, Fax : (033) 2283 2642, e-mail : exideindustrieslimited@exide.co.in

Website : www.exideindustries.com

ATTENDANCE SLIP

Regd. Folio/DP-ID & Client ID	
Name and Address of the Shareholder	
Joint Holder(s)	
No. of shares held	

- 1) I hereby record my presence at the 67th Annual General Meeting of the Company being held on Tuesday, 22nd July, 2014, at 10:00 a.m. at Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700 017.
- 2) Signature of the Shareholder / Proxy Present.
- 3) Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip, duly signed, to the meeting and hand it over at the entrance.
- 4) Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note : *Please cut here and bring the above Attendance Slip to the meeting.*

ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Event Number)	User ID	Password

Note :

The Voting period starts from 12:01 a.m. on July 16, 2014 and ends at 11:59 p.m. on July 18, 2014 (i.e. e-voting shall remain open for maximum 3 days only). Thereafter, the voting module shall be disabled by NSDL. Kindly refer to the e-voting instructions on the reverse of this page.

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members facility to exercise their right to vote at the 67th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under :

A. Members receiving an email from NSDL [for members whose email ids are registered with the Company/ Depository Participant(s)] :

- (i) Open email and open PDF file viz; "Exide e-Voting.pdf" with your Client id or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login.
- (iv) Put user id and password as initial password / PIN noted in step (i) above. Click Login.
- (v) "Password change" menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on E-Voting : Active Voting Cycles.
- (vii) Select "EVEN" of Exide Industries Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. Other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to aklabhcs@gmail.com / scrutinizeraklabh@gmail.com

B. Members receiving physical copy of the Notice of AGM [for members whose email ids are not registered with the Company / Depository Participant(s) or requesting physical copy]:

- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM as per following format :

EVEN (E-voting Event Number)	USER ID	PASSWORD / PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No (xii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user id and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Wednesday, July 16, 2014 (from 12:01 a.m.) and ends on Friday, July 18, 2014 (upto 11:59 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th June, 2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of June 20, 2014.
- VII. Mr. A. K. Labh, Practicing Company Secretary (Membership No. F4848) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against the resolutions to the Chairman of the Company.
- IX. The Results of e-voting will be announced by the Company in its website (www.exideindustries.com) as well as on the website of NSDL within two (2) days from date of the Meeting or any adjournment thereof and also informed to the Stock Exchanges where the Company's Shares are Listed, i.e. NSE, BSE & CSE.

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 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable

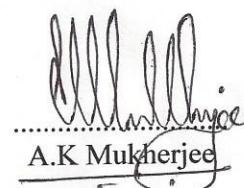
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number: 324982E

per Kamal Agarwal

Partner
Membership Number: 58652
Place of Signature: Mumbai
Date: 25th April, 2014

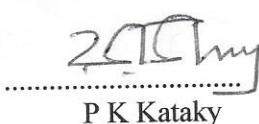


Director-Finance & CFO:



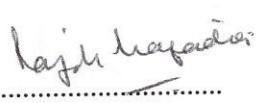
A.K. Mukherjee

Managing Director & CEO:



P K Kataky

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 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable

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: 25th April, 2014

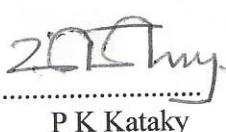


Director-Finance & CFO:



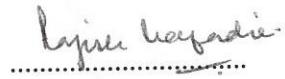
A.K. Mukherjee

Managing Director & CEO:



P K Kataky

Chairman-Audit Committee:



Rajesh Kapadia