

EXCELLENCE



EMPATHY



EXECUTION



Exide in brief

Exide Industries Limited (Exide) is a leader in energy storage and management solutions. It is the only company in the world manufacturing the lead acid industry's most comprehensive range of products and services.

Read more on Page 02

Revenue share by geography



Revenue share by business



Inside the report

CORPORATE OVERVIEW

- 02 Exide in brief
- 04 Market drivers
- 06 Key performance indicators
- 08 E-positive
 - 10 Excellence
 - 16 Empathy
 - 24 Execution
- 29 10-year performance
- 30 Corporate information

STATUTORY REPORTS

- 32 Notice
- 41 Directors' Report, Corporate Governance and Annexures

FINANCIAL STATEMENTS

- 116 Standalone
- 174 Consolidated

Key application areas



Key highlights 2019-20

9,857

**NET
TURNOVER**
(RS. IN CRORES)

1,365

**OPERATING
PROFIT**
(RS. IN CRORES)

9.71

**EARNINGS
PER SHARE**
(RS.)

6,296

**SHAREHOLDERS'
FUNDS**
(RS. IN CRORES)



The dawn of 2020 heralded a new decade of possibilities, driven by megatrends such as urbanisation, industrialisation of new economies and digitalisation of businesses and society. And then the COVID-19 pandemic emerged, posing as the single biggest threat to humanity.

Organisations, the world over, are increasingly recognising the need to create conditions conducive for sustainable growth – respecting the natural environment and the community and co-creating a brighter and shared future for all stakeholders. This has led to radical, and perhaps, enduring changes, thereby fostering new business imperatives.

At Exide, we are relying on three pillars of stakeholder capitalism to guide us through the new normal: **excellence, empathy and execution**. We are empowering a remote workforce, engaging with customers and business partners digitally, enabling virtualisation of internal and external communications, improving agility and efficiency, reducing operational costs, enhancing supply chain resilience, and instituting safe return-to-work measures across plants and offices.

Every day, our people are united by the unique opportunity to unlock reliable power for tens of millions of customers. We are forward thinkers – innovating and collaborating with stakeholders to energise new possibilities and make a difference. And we will keep on extending our strong community and unique ecosystem, and innovating on multiple fronts, to benefit our partners, customers and society.

**We will keep on
going the extra mile
to be E-positive.**

Exide in brief

THE ENERGY SOLUTIONS WE PROVIDE UNDERSCORE COMMERCIAL ENDEAVOURS OF THE CUSTOMERS WE ARE PRIVILEGED TO SERVE AND THE COMMUNITIES IN WHICH THEY LIVE. ENERGY TO EMPOWER HOMES, CORPORATES AND INDUSTRIES. ENERGY TO EMPOWER LIFE.

Guiding principles

We aspire to be a responsible business, contributing, together with our stakeholders, towards the emergence of a better world.

VISION

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

MISSION

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

CORE VALUES

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

Key application areas



Automotive

We are the market leader in all automotive applications in the domestic market. Our portfolio spans batteries for four-wheelers, two-wheelers, three-wheelers, e-rickshaws, inverters, gensets and home UPS systems. Brand Exide, SF Sonic and Dynex spearhead our domestic presence, while brands Dynex, Index and SF Sonic cater to the international market.

3 AH TO 200 AH

CAPACITY RANGE



Industrial

We provide reliable energy storage solutions to all industrial applications: power, solar, railways, telecom, UPS, projects and traction, among others. Our domestic industrial battery brands are Exide, SF and CEIL; while our flagship brands in the overseas market are Exide, CEIL, Chloride and Index.

7 AH TO 3,200 AH

CAPACITY RANGE



Submarine

We are the only company in South Asia with the capability of bulk manufacturing of high-end batteries for different classes of submarines, such as German, Russian and French, along with nuclear submarines. We are the sole supplier to the Indian Navy for more than three decades. We also export to other countries with permission from the Government of India. Batteries used in submarines are highly critical and specialised in nature, being the singular source of power in the warships.

~20,000 AH

ELECTRICAL CAPACITY OF EACH CELL

Solid fundamentals



ROBUST FINANCIAL HEALTH

Strong profitability and continuous cost discipline



MANUFACTURING

9 plants at strategic locations in India with a production capacity of 57 million units of automotive power and 5 billion Ah of industrial power



BRAND EQUITY

100+ years young brand with a new positioning, #WhatDrivesYou



R&D PROWESS

90+ engineers and technology experts



TECHNOLOGY COLLABORATORS

Moura Batteries, Brazil; Furukawa Battery Company, Japan; East Penn Manufacturing, USA; Advanced Battery Concepts, USA; and Hitachi Chemicals Co., Japan, among others



DISTRIBUTION NETWORK

150+ warehouses and sales offices and 48,000 direct & indirect dealers



SERVICE INFRASTRUCTURE

170 service centres, 170+ Batmobile vehicles, 100+ Humsafar vehicles, 1,300+ service technicians and 12 inverter repair centres



GLOBAL FOOTPRINT

50+ export destinations



HUMAN RESOURCES

5,300+ passionate employees serving as brand ambassadors

Market drivers

OUR OPERATING ENVIRONMENT IS BEING RESHAPED BY THE EVOLVING WAY OF LIFE AND THE TOWNS AND CITIES OF THE 21ST CENTURY, WHICH ARE BIGGER AND DENSER, WITH NEW ENERGY STORAGE NEEDS. THE RAPID PACE OF SOCIAL AND TECHNOLOGICAL CHANGE HAS PUT EXIDE AT THE CORE OF A TRIPLE TRANSFORMATION.

1 Electrification to become a reality



COST ECONOMICS

Why

- Declining upfront costs
- Improving performance

Key impacts

- Lower battery prices
- Enhanced product quality



GOVERNMENT INITIATIVES

Why

- Rising urban pollution
- Increasing carbon emissions
- Widening trade deficit

Key impacts

- Public health at risk
- Biodiversity loss
- India perceived as one of the key polluting countries
- Lion's share of India's crude oil needs met through imports, raising overall import bill



OEM TRANSITION

Why

- Disruption in automotive industry led by CASE (connected, autonomous, shared and electric) technologies
- Entry of multinational players in the Electric Vehicle (EV) segment

Key impacts

- Traditional Original Equipment Manufacturers (OEMs) shifting to the manufacturing of EVs
- Evolving EV infrastructure
- Higher incidence of partnerships and strategic collaborations in the EV space

EXIDE'S RESPONSE

Undertaking an early lead in India's nascent lithium-ion battery market

Exide Leclanche Energy Private Limited is the new-age JV between India's largest battery manufacturer, Exide and Europe's leading energy storage solutions provider, Leclanché.

The JV is well placed with an automotive quality certification, a robotised assembly line and a production scale of 1.5 GWh, to take a leading position in the lithium-ion battery market in India.

6 production lines have been ordered for battery pack assembly for cylindrical, prismatic and pouch cells. The first line is operational and brings the world-class Leclanché technology to India. Other lines are on their way and the last one is expected to be in place by November 2020. The JV has set up an R&D centre in Bengaluru where several product development programmes are underway. Many pilot orders have been collected from multiple automotive OEMs, as well as large telecom operators, UPS manufacturers and solar PV companies.



2

Energy decentralisation to accelerate in step with economic development

Decentralised distributed power generation and energy production provide a range of benefits, such as improved access, cost savings, resilience and efficiency. Modern energy storage solutions leverage digital technologies to address challenges arising from intermittency, interact dynamically with the grid network and facilitate grid balancing during peak consumption.

Further, advancements in energy storage and information technology have made the prospects of grid decarbonisation even more promising.



EXIDE'S RESPONSE

Going bullish on energy storage solutions

We are piloting multiple utility-scale energy storage solutions for different applications in co-location projects and grid support.

Exide, Leclanché and Tata Power jointly worked and collaborated to advance a R&D pilot community Battery Energy Storage System (BESS) project, which included an initial installation and operation of a grid-connected BESS. This BESS uses lithium-ion batteries and has a power rating of 150kW with a nameplate capacity of 528 kWh that is mounted in a 20-foot container on site at a substation of Tata Power in New Delhi. The project will cater to applications like peak shaving, deviation settlement mechanism loss minimisation, aggregate technical & commercial loss reduction, transmission & distribution asset life extension, frequency & voltage regulation and more.

3

Data centres to spread the world over

Uninterrupted power supply, through batteries, is crucial to modern data centre systems, providing complete power protection solution. As a result of the increased data centre construction across the globe, demand for batteries is likely to significantly increase.



EXIDE'S RESPONSE

Introducing high-performing batteries for data centres and telecom

- Our newly launched extended high power battery series, spanning top and front terminal batteries, are designed to cater to both low and high end of the market, respectively. The high watt range is currently available from 340W to 750W in top and front terminal design options. We will aggressively pursue the growth of both products in the coming years.
- We also launched a new range of front terminal batteries for the export market. These are compatible in 19- and 23-inch racks, with a sleek design for ease of maintenance and optimal space utilisation. The range has seen early success in African, South Asian and Middle Eastern countries. We will strengthen our sales in these regions, apart from introducing the range in South East Asian countries.

Key performance indicators

OUR PERFORMANCE REFLECTS OUR SOLID FUNDAMENTALS, CLEAR STRATEGIES AND MARKET-LEADING PORTFOLIO. OUR INNOVATIVE BATTERY SOLUTIONS CONTINUE TO STRENGTHEN OUR POSITION IN FAST-GROWING MARKET SEGMENTS.

Net turnover

(Rs. in crores)

↑ 9.5%



19-20	9,857
18-19	10,588
17-18	9,186
16-17	7,583
15-16	6,848

Operating profit

(Rs. in crores)

↑ 7.4%



19-20	1,365
18-19	1,411
17-18	1,241
16-17	1,082
15-16	1,026

Profit before tax*

(Rs. in crores)

↑ 3.9%



19-20	1,057
18-19	1,130
17-18	1,048
16-17	976
15-16	908

Profit after tax

(Rs. in crores)

↑ 7.3%



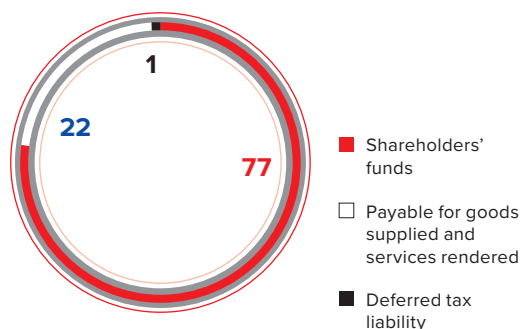
19-20	826
18-19	844
17-18	668
16-17	694
15-16	624

*Before exceptional items

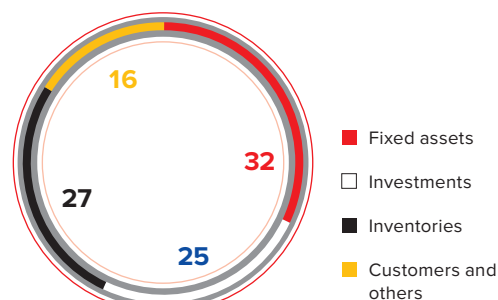
↑ 5-year CAGR

Sources of funds in 2019-20

(%)

**Application of funds in 2019-20**

(%)

**Dividend payout**

(Rs. in crores)

↑ 19.7%

**Shareholders' funds**

(Rs. in crores)

↑ 8.7%

**Contribution to the exchequer**

(Rs. in crores)

↑ 1.3%

**Earnings per share**

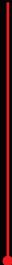
(Rs.)

↑ 7.2%



↑ 5-year CAGR

E-POSITIVE



E-POSITIVE IS THE CONSTRUCT WE USE TO THINK ABOUT SHARPENING OUR COMPETITIVE EDGE, GUIDING US TO UNDERSTAND WHAT WE EXPECT OF OURSELVES AND EACH OTHER, AND HOW WE CONDUCT OUR BUSINESS.





EXCELLENCE

Read more on *Page 10*



EMPATHY

Read more on *Page 16*




EXECUTION

Read more on *Page 24*

Excellence

Inspiring legacy. Encouraging achievements.

'EXIDE' TODAY IS SYNONYMOUS WITH BATTERIES IN MANY COUNTRIES ACROSS THE WORLD. FEW ORGANISATIONS HAVE BEEN ABLE TO SUSTAIN A SINGLE ICONIC BRAND FOR OVER A DECADE, LET ALONE A CENTURY.



Throughout our history, we have recognised the need to design products and solutions tailored to the varied requirements of our diverse customer base. It is always our endeavour to give each of our customers a compelling reason to choose Exide, every time.

A history of many firsts



POLYPROPYLENE BATTERIES

Customised for Indian roads and with specially designed containers, Exide's polypropylene batteries are the first of its kind.



IDLE-START-STOP (ISS) BATTERIES

Exide was the first to introduce Start-Stop technology in lead acid batteries for OEMs, in 2004, supporting next-generation fuel-saving cars.



ENHANCED FLOODED BATTERIES (EFBs)

First invented by Exide in 2008, extended flooded batteries have come to play an increasingly crucial role for carmakers in order to reduce fuel consumption and emissions.



TUBULAR INVERTER BATTERIES

Exide's unique tubular batteries for inverters can operate at extreme temperatures and are used in highly cyclical applications involving frequent and prolonged power outages.



ULTRA BATTERIES

Exide was the first to introduce a state-of-the-art Partial State of Charge (PSoC) battery with fast recharge capability suited for renewable energy storage.



PUNCHED GRID BATTERIES

First commercialised by Exide, the punching system produces battery grids that are highly corrosion resistant and exhibit structural rigidity, which results in longer battery life.



ULTRA AUTO BATTERIES

Exide's state-of-the-art high-power ultra battery for hybrid cars with minimal emissions, is the first of its kind in the country.



SUBMARINE BATTERIES

Exide manufactures very high capacity specialised batteries for all submarine applications and is the first and only company to do so.



PLANTE BATTERIES

Exide was the first to have the Plante plate technology in addition to its long experience in making conventional flat pasted and tubular batteries.

MAKING EXIDE AN R&D POWERHOUSE

First established in Kolkata in 1976, Exide R&D centres, today, are fully automated, state-of-the-art facilities that have piloted multiple breakthroughs. We are recognised by the Department for Scientific & Industrial Research (DSIR), Ministry of Science and Technology under the government since 1977.

Continuous innovation is the source of Exide's competitive advantage, enabling us to bring in the latest, state-of-the-art manufacturing practices, widen our

Key innovation focus areas

- Developing advanced solutions in the lead acid space for emerging applications, including hybrid vehicles and EVs
- Introducing ultra batteries and other solutions in the energy storage space, as a robust, economic alternative to other competing chemistries
- Developing advanced energy storage modules for applications in EVs and the telecom sector, in the lithium chemistry domain

portfolio and provide tailor-made solutions that address specific customer concerns.

Further, we collaborate with a number of leading international battery manufacturers from across the globe. The cross-pollination of our experience and expertise and their technical know-how culminates into feature-rich offerings that allow us to succeed in every market. Some of our winning partnerships are presented here.

Moura Batteries, Brazil

Effective April 1, 2020, the Government of India has mandated that every automotive manufacturer, both two-wheelers and four-wheelers, can manufacture, sell and register solely BSVI-compliant vehicles. This is a landmark chapter in the history of the automotive industry. With further stringent regulations around vehicle emissions likely to follow suit, it is reasonable to expect manufacturers to shift towards micro hybrid engine architecture. This will translate into a higher demand for some of our sophisticated car batteries. In anticipation of this trend, we collaborated with Moura Batteries, Brazil, to develop advanced EFBs and ISS batteries required in the environment-friendly new-generation BSVI-compliant vehicles.



**Furukawa Battery Company, Japan (FBJ)**

We have a technical assistance and collaboration agreement with FBJ, for various automotive applications spanning both two-wheelers and four-wheelers. Our entire two-wheeler battery range is being upgraded to comply with BSVI emissions norms. Consistent with our continuous improvement effort, we are developing the revolutionary ultra battery technology, with ultra-negative technology plates, which are expected to deliver unmatched fast-charge capability as well as long life, currently considered to be the best globally.

East Penn Manufacturing, USA

We enjoy a long-standing technical collaboration and assistance agreement with East Penn Manufacturing, a major US manufacturer of automotive and industrial products. This year too has been no exception to our shared progress. Regular exchange of information between the engineers of the two companies has resulted in a rich product pipeline for our automotive and industrial segments. The development of the industrial ultra battery for energy storage application, in collaboration with the East Penn team, is now ready for commercial deployment and regular production of these advanced lead acid cells is likely to commence soon.

Similarly, we are working together on developing new concept products for different applications, and many of these are in trial stages, planned for different months of this year. Our latest range of front-access range of Valve Regulated Lead Acid (VRLA) batteries for the telecom and UPS segments has been developed in close cooperation with East Penn Manufacturing. The new products are already being rolled out into the market.

Advanced Battery Concepts, USA

Development of the cutting-edge technology of bipolar battery, in active cooperation with Advanced Battery Concepts, USA, is on course. The field testing of the battery prototypes has been initiated and initial results for the latest design iteration look very promising. These batteries are expected to change the basic archaic perception about the lead acid technology and make it competitive vis-à-vis the newer chemistries currently being under spotlight for energy storage applications.

Hitachi Chemicals Co., Japan

Our 25-year-long collaboration with Hitachi Chemicals Co. (formerly, Shin Kobe Electric Machinery Co.), continues to flourish, through a range of advanced high-power automotive batteries as well as VRLA industrial range of products.



MAINTAINING A LEADING BRAND RECOGNISED FOR INNOVATIONS



AUTOMOTIVE



4-WHEELER

- Exide Epiq
- Exide Matrix
- Exide Mileage
- Exide Eezy
- Exide Gold
- Exide Cabby
- Exide Xpress
- Exide Jai Kisan



3-WHEELER

- Exide Eko



2-WHEELER

- Exide Xplore
- Exide Bikerz



E-RICKSHAWS

- Exide E-Ride Tubular Plus
- Exide E-Ride Plus



HOME UPS

- Exide Magic
- Exide Star
- Exide GQP
- Exide HKVA



INVERTER BATTERIES

- Exide InvaTubular
- Exide InvaMaster
- Exide InvaPlus Tubular
- Exide InstaBrite



GENSETS

- Exide Genplus



4-WHEELER CUSTOMERS



3-WHEELER CUSTOMERS

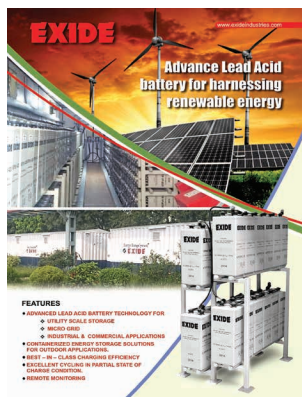


2-WHEELER CUSTOMERS





INDUSTRIAL



RAILWAYS

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



TELECOM

- Advanced AGM VRLA batteries
- Tubular Gel VRLA batteries



SOLAR

- Solatron (Tubular Gel VRLA)
- Solatubular (Premium tall tubular batteries)
- Solar Blitz (Tubular flooded range)
- Solar hybrid inverters
- Solar PV modules
- Solar charge controllers
- Solar Power Pack (DC and AC models)



POWER AND INFRASTRUCTURE PROJECTS

- Exide tubular standby batteries (HDP and NDP) Exide TBS tubular batteries
- Exide Plante
- Futuristic Exide gel tubular batteries
- Exide 2V range of VRLA batteries
- GroE products



INDUSTRIAL UPS (IUPS)

Exide IUPS range

- SMF Small VRLA (Exide PowerSafe Plus Range)
- SMF Medium VRLA (Exide PowerSafe Plus and NXT Range)
- Tubular gel VRLA (Exide PowerSafe XHD range)
- Flooded tubular (EL/EL+ range)

Chloride IUPS range

- SMF VRLA (Chloride SafePower CS7-12)

MNC CUSTOMERS



DOMESTIC CUSTOMERS



MINES

- Smartlite - LED
- Exide Oldham GT Miners Cap Lamps



TRACTION

- Exide HSP and GenX range of traction batteries and accessories

Empathy

Community, our social responsibility

*AT EXIDE, RESPONSIBLE CORPORATE CITIZENSHIP GOES
BEYOND THE TRADITIONAL ROLE OF DOING BUSINESS.*



The execution of our CSR endeavours, continues to be an integral part of our core organisational ethos that contributes towards empowering excellence in the larger community for holistic sustainable development

EDUCATION

Education remained one of our core focus thematic areas for interventions. These projects were mainly aimed at ensuring that children from underprivileged backgrounds receive their formal education in a conducive environment. During the year, most of the projects were centred around key school infrastructure with precedence to development of model schools in partnership with YUVA Unstoppable at Haridwar and Roorkee (Uttarakhand) and Hosur (Tamil Nadu).

Our standalone big-ticket education programmes ranged from construction of a multi-utility multi-storeyed university campus building, to restoration work for school heritage buildings and extension work. With partner organisations like Child in Need Institute (CINI), India Sponsorship Committee, Childreach, Parivaar Education Society and Udaan providing support for building of essential life skills, stimulating co-curricular activities and conducting additional tuition classes, we continued to engage with the students for their holistic development.

HEALTHCARE

We continued our significant big-ticket projects with acclaimed partner organisations with equal care through the year, as well as invested in some noteworthy projects like the development of a recovery bay at the



RS. 2,076 LAKHS

**INVESTED IN DIVERSIFIED CSR PROJECTS
SUPERSEDING THE INVESTMENT MANDATE
FOR 2019-20**



gastroenterology department of Tata Medical Centre, Kolkata, which will now provide support to manage higher influx of patients for treatment.

Our solar power project at Saroj Gupta Cancer Centre & Research Institute was a step towards cleaner environment and efficient energy conservation. The initiative generated significant operational cost savings for the institute which would be diverted for treatment of higher number of patients from socio-economically challenged backgrounds.

Our signature project 'Exide Heals on Wheels' continued to create significant health related benefits for the vulnerable communities around our Chinchwad plant. We continued the project related to open sewage management systems for the community at our Ahmednagar plant, helping transform local health and sanitation facilities in a structured and effective manner.

NATURAL RESOURCE CONSERVATION

Our community solid waste management programme at Hosur, is a collaborative effort with the local administration and Panchayat of the adjoining village. The project stabilised its entire lifecycle, this year. It is being administered and managed in association with the administration and especially the women of the community.

Further, watershed management projects that we initiated in association with the community and local administration started generating real-time benefits, in the form of much-needed water replenishment in parched areas of Rewari and Hosur.

WOMEN EMPOWERMENT

With the CII Foundation, we initiated craft-related training for programme for indigenous tribal women, leveraging their intrinsic talent and providing them with adequate support to kickstart a self-sustaining livelihood. Parallel to this, we also introduced a tailoring and sanitary napkin-making livelihood project with the Sukriti Welfare Association for Women Entrepreneurs, for women living in urban slums and suburban areas.

The scholarship programme for meritorious girl students from socio-economically vulnerable backgrounds was launched with Udayan Care to provide financial and mentorship support for their higher education. The ongoing programmes with the South Gurukul Society for training in classical dance and allied subjects, along with the self-defence training at a beneficiary government school continues to bring impactful changes in the lives of the girl students.

At the plant level, beneficiaries are deriving effective benefits from the tribal women tailoring training project in Taloja. Our school bus project continues to ensure that girl students from remote villages in Rewari can pursue their studies in the town area. At Chinchwad and Kolkata, we strive to ensure young adolescent girl students from beneficiary government high schools are able to attend school regularly with much ease and confidence. This is possible due to the installation of sanitary napkin vending machines within the school premises, as well as for the relevant awareness camps that we organise on their health and hygiene.



APISH PARAR KHABAR – A UNIQUE LIVELIHOOD ENHANCEMENT PROGRAMME

'Apish Parar Khabar' was initiated by us as a niche heritage-centric livelihood enhancement project. This unique concept was entirely designed and guided by Exide for implementation through the Bengal Chamber of Commerce & Industry. The project is an ode to the rich culture and heritage of the oldest commercial hub of Kolkata.

The key objective of the project includes upskilling street food vendors for a better livelihood prospect and bringing in synergy to uphold the old world charm of the rich cultural heritage and of Kolkata street food. The unique venture had a series of niche training sessions conducted for the participating vendors which culminated into the first-ever gastronomical gala street food festival in the city curated to offer a distinctive flavour of delectable street food delicacies dished out by the trained participants.



VOLUNTEERING THROUGH PROJECT JYOTIRMAY

The year stands testament to engaging ~2,000 volunteers for 'Project Jyotirmay', our flagship volunteering programme across all locations. Exide employees, along with their families, vendors, representatives from the local communities and school students together contributed their time and efforts for various community welfare activities related to education, environment and health. The project modules included educational DIYs, distribution of books and stationaries, tree plantation, botanical garden, blood donation, HIV AIDs awareness camps, community waste clean-up drives and contributions for COVID-19-related PPE and sanitiser distribution at schools.



~2,000

VOLUNTEERS PARTICIPATED IN PROJECT JYOTIRMAY

STEPPING UP, IN THE WAKE OF COVID-19

While the year went extremely well in terms of initiating new projects and consolidating ongoing initiatives, the COVID-19 pandemic towards the end compromised the scenario to a large extent. Extending support and relief to manage COVID-19 exigencies became our top priority during the crisis period. Both our internal and external partner teams came together and ensured relief reached the vulnerable community members. Relief services included donation of critical medical equipment, distribution of PPE and personal sanitisation kits for frontline workers, such as medical professionals, health workers, police personnel and sanitation workers across all our major operational locations. Sanitisation facilities were set up for the general public at certain hotspots in Kolkata. Distribution of dry ration and pre-cooked meals for those on the margins, such as migrant workers around each of our manufacturing units and in Kolkata, were undertaken on war-footing level.



In a nutshell, the year stabilised our journey on the desired path of an inclusive and sustainably empowered and developed society and we eagerly look forward to a revived healthy and prosperous tomorrow for all.

Empathy

Employees, our most valuable asset

AT EXIDE, WE BELIEVE SUSTAINABLE GROWTH CAN BE ACHIEVED BY BUILDING A PERFORMANCE CULTURE ON THE FUNDAMENTAL VALUES OF DIGNITY AND RESPECT AND A PHILOSOPHY OF HELPING ORDINARY PEOPLE ACHIEVE REMARKABLE FEATS.

In an increasingly dynamic world, our success is dependent on a dedicated and adaptive workforce attuned to the Company's strategic goals.



EXIDE LEADERSHIP BEHAVIOURS (ELBs)

ELBs represent the cultural pillars that we created to enable change management in the organisation. The exercise of creating these pillars began in 2018 and followed a robust methodology, whereby a cross-functional team of senior leaders analysed critical data points, including existing leadership competency trends, current organisational values, engagement survey results and leadership model benchmarks from across industries, to finally define the eight behaviours that would comprise the ELB framework.

- Partner with customer & other stakeholders
- Develop & empower the team
- Manage by process & facts
- Innovate & lead change
- Promote cross-functional collaboration
- Inspire excellence
- Treat others with respect & dignity
- Act with integrity

STRENGTHENING OUR TALENT BASE

Our objective as an employer is to become an enabler for our people to reach their potential and accelerate organisational growth.



We seek to improve hiring consistency and make talent acquisition a more efficient and scalable process. Our flagship executive programme for management campuses provides extensive cross-functional experience through live projects and assignments.

DEVELOPING OUR CAPABILITIES

We foster a culture of continuous learning among our people by extending opportunities and platforms that resonate with their goals. We help them realise their career aspirations and perform optimally in a dynamic industry environment through our talent management and leadership development processes across learning academies.

Our culture building efforts were strengthened through the Exide Coaching Academy 2.0 to develop leaders as coaches by way of focused reinforcement and

role-modelling, among others. Participants were given coaching skills. Several high-potential employees benefited from the executive coaching. The medium also enables seamless change management in the organisation.

We also rolled out a one-year leadership and strategy programme, in collaboration with IIM Calcutta, for our leaders.

EMBRACING TECHNOLOGY

In order to make our processes more efficient, transparent and data-driven, we are increasingly adopting digital technologies in our people practices. From the onboarding or recruitment management systems, to collaboration platforms for employees, we are embracing innovative ways of working to drive our business objectives.

ENHANCING PERFORMANCE

We regularly engage with our employees to keep them aligned with the organisation's growth strategy and their role in achieving it. We have been rolling out multiple events, including our annual sports meet, the Exide Premiere League. We have brought in increased levels of transparency and objectivity in our policies and rewards programme. 'You did it' is one such platform where we publicly acknowledge and reward good performance every quarter.



Empathy

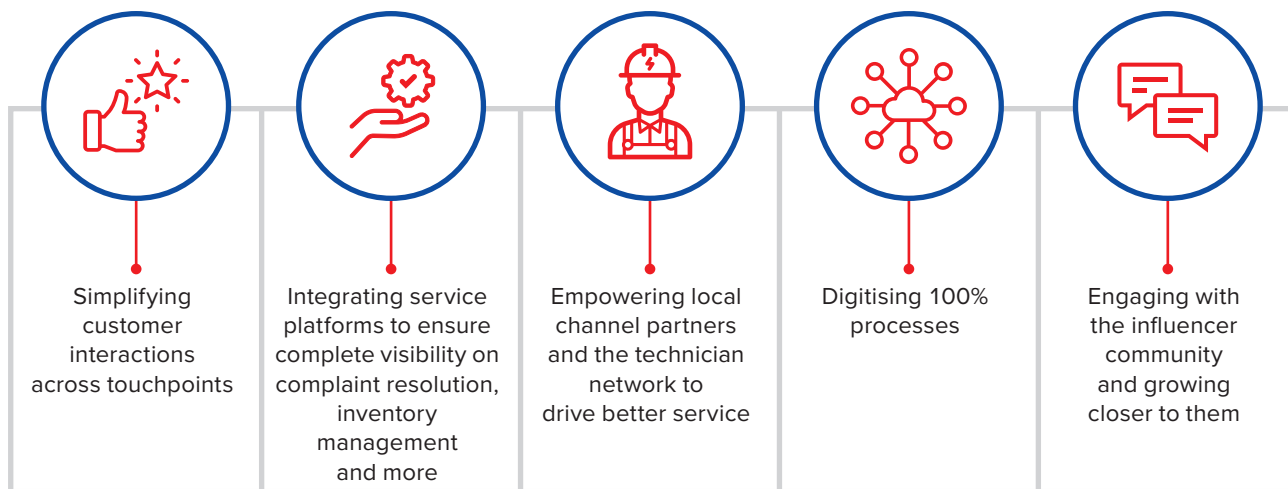
Customers, the reason we exist

*WE MEASURE OUR GROWTH BY OUR CUSTOMERS' SUCCESS.
WE PRIDE IN KNOWING THAT OUR BATTERIES ARE MAKING
A DIFFERENCE IN SOMEONE'S LIFE.*

A circular inset image showing a person's hands using a red and black EXIDE battery tester on a car battery. The tester's screen displays '12.6V' and '12.65V'. The car's hood is open, and the battery is visible with various cables connected to it.

We are focused on servicing the needs of our customers and customising solutions to improve their experience. We are investing in technologies to make our products more suited to different use-cases. We are deploying a mix of physical and digital platforms to ensure seamless delivery.

TRANSFORMING THE WAY WE SERVE CUSTOMERS



EXEMPLARY SERVICE THAT INSPIRES CONFIDENCE

Customer service has taken on a new definition and dimension during COVID-19 and we, at Exide, are converting the challenge into an opportunity to grow closer to our customers. We are doubling down to support our customers, by anticipating how their habits will change, taking preemptive actions and building stronger relationships that will endure well beyond the crisis.

Our teams carried out various activities with empathy and enthusiasm that was well received by our customers. Exide's service engineers reached out to over 4 lakh end-users to provide support and assurance during the crisis period. We also visited more than 350 housing societies to render free doorstep battery check-up services.

~35 LAKH

CUSTOMERS REACHED THROUGH TRADITIONAL AND ONLINE CHANNELS DURING THE LOCKDOWN

In addition, we activated online and social media channels for customers, enabling them to easily reach us in case of an emergency breakdown of a vehicle of inverter battery.

We introduced short videos on how to best to maintain vehicles and inverter batteries while not in use. We reached customers through various other engagement initiatives, through both traditional and online channels.

These initiatives received overwhelming customer appreciation on social media platforms. We eventually activated a service on our online portals, where customers could register for a battery health examination.


Our pioneering on-road battery emergency service, Batmobile, also played its part in helping customers take care of their vehicle batteries during the lockdown.



Execution

Futureproofing the way we work

*EXECUTION FOR US MEANS BUILDING AN AGILE WORKPLACE
THAT FOSTERS CONTINUOUS LEARNING AND INNOVATION.*



It means finding solutions that balance lower costs and great customer experiences. It also means ensuring every one of us return home safely. Working with a range of experts, we are institutionalising practices that exemplify our uncompromising stance on execution and prepare us for the future.

MAINTAINING COST LEADERSHIP

We ensure a laser sharp focus on legacy costs, embracing a lean and agile model of value creation in order to strengthen our bottom-line and enhance our cost competitiveness.

Key initiatives

- Increased backward integration for securing supply of raw materials
- Diversified supplier base
- Strategic pricing policies
- High level of automation in plants
- Optimised front-line workforce across sales channels
- Superior employee productivity through supportive workplace practices
- Rising share of renewable power in total electricity consumption across plants, among other energy efficiency measures



ENERGISING LOW-CARBON, SUSTAINABLE OPERATIONS

Exide, in partnership with Cleantech Solar (Singapore-based renewable energy developer), has successfully commissioned captive solar photovoltaic power projects in Tamil Nadu and Maharashtra with plant capacities of 22 MW and 15 MW, respectively. These projects will supply power to Exide's Hosur facility in Tamil Nadu and the Chinchwad, Taloja and Ahmednagar facilities in Maharashtra under the open access mechanism of the Indian Electricity Act 2003. These solar projects will generate an estimated 81 million kWh of electricity per year helping reduce Exide's carbon footprint by 74,000 tonnes of CO₂ emissions per year.

The projects have been constructed in line with industry best practices and ensuring utmost care for the ecological and social aspects. The projects are fully compliant with International Finance Corporation's Performance Standards 1-6 (IFC PS 1-6), the leading standard for managing environmental and social risks for such projects.



BUSINESS REVIEW

Exide's strength lies in its ability to amalgamate knowhow in a number of businesses, across automotive, industrial and submarine to design and deliver best-in-class products and solutions. Our robust performance in 2019-20, with revenue exceeding Rs. 9,857 crores, bears testimony to our strong fundamentals and strategic focus to drive future growth.

AUTOMOTIVE

Operating highlights

- Maintained market share in OEM sales without compromising on our margins; captured a large part of new businesses
- Achieved meaningful growth in after-market sales as well as exports, while increasing brand acceptance and stabilising product mix
- Embarked on a large-scale digital transformation of the Sales function, including sales and service teams, and dealers, sub-dealers and channel partners

CAPEX outlay

During the last five years, responding to the changing operating context, we have committed to significant capital expenditure (CAPEX) in excess of Rs. 2,700 crores. The CAPEX has helped us enhance our manufacturing capacity and upgrade technology, improving performance of automotive batteries and other energy storage applications. During 2019-20, our CAPEX stood at more than Rs. 450 crores.

- Exide Mileage, Exide Gold, Exide Eezy and Exide Xpress continued to gain traction in the passenger car segment; Exide Bikerz and Exide Xplore in the two-wheeler segment
 - Launched Exide Neo, a dedicated e-rickshaw brand, to demonstrate our technology capability in the promising EV market
 - Continued to be the major supplier of lead acid batteries to EV manufacturers in India and ensured a strong pipeline of business – on account of EV models under development
 - Preferred battery manufacturer for new OEMs in India, such as Morris Garages and Kia Motors
 - Partnered with Hyundai for its offering in connected vehicles in India, the Venue; and with Tata Motors for its upcoming flagship car, the Gravitas
- #### Strategic focus
- Developing a portfolio of EFBs and advanced ultra batteries to cater to the emerging needs of BSVI vehicles; constantly reviewing our product portfolio to make it cost competitive and value accretive
 - Increasing the share of organised business in the replacement market and focusing on high-margin products
 - Working with Indian OEMs in the EV space, for both lithium ion and lead acid batteries
 - Transforming our after-sales service through digital initiatives to increase efficiency and enhance customer experience
 - Leveraging our extensive premium dealer network to support after-sales service requirements of new players in the EV space
 - Looking at increasing exports



INDUSTRIAL

Operating highlights

- The IUPS business, largest in the Industrial division, has grown on the back of continuous product and process upgradation as well as strong sales and service network across India
- Solar maintained decent sales momentum; combining solar battery and solar inverters as part of a composite storage solution for several private and government projects
- Received the order for Plante batteries for the Nuclear Power Corporation, Kudankulam, units 3 & 4 (2x1000 MW), in June 2019; the order is valued at Rs. 39 crores and is a testament to the unique value proposition of our Plante batteries
- Across our portfolio, we continued to dominate government-led space research and oil projects
- Maintained 100% market share in our traction products, with all major OEMs and forklift rental players; entered into an annual rate contract agreement with Hindustan Coca Cola and Metro Cash & Carry, among others
- Increased our penetration with the Indian Railways as the only approved vendor for supplying railway locomotive batteries to GE India; despatched 100+ sets
- Expanded export footprint to Panama, Bulgaria and Peru; started exporting traction products to the Balkan countries, Canada and Australia; standby products had a very steady business growth in the West and East African countries, and South Africa, Yemen and the UAE; Exide Plante witnessed stable growth in South East Asia



Strategic focus

- Exploring partnership opportunities to step up our play in the IUPS segment, aligned with industry trends
- Building lithium-ion battery solutions for the telecom segment; seeking out collaborations with major tower operators
- Working with major data centre players to build backup power solutions for this emerging segment
- Continuing to offer customised solutions for new and more efficient energy storage technologies and services that complement the larger grid infrastructure
- Expanding existing product lines and launching new products suited to global markets.



COMMUNICATING IN OUR SIGNATURE STYLE

Our highly trusted brand grants us a platform to clearly communicate our innovative offerings to our customers. Social media, digital platforms and outdoor campaigns have been the mainstay of all our communications. During the year, we continued to build on the #WhatDrivesYou proposition.

No Stopping You

The 'No Stopping You' campaign brought to life the functional and emotional value drivers of our two-wheeler batteries.

World Cup campaign

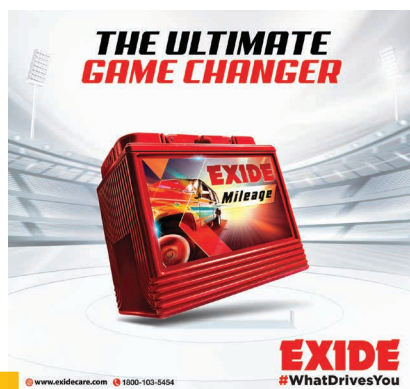
We based the campaign on cricket, a subject that Indians are deeply passionate about, to promote our products and share information around them.

#DriveSafe

This was a road safety campaign to encourage individuals to avoid texting while driving.

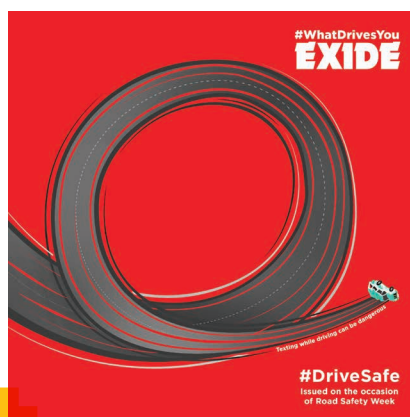
Extending the gamut of #WhatDrivesYou

We leveraged social and cultural occasions, like Teachers' Day and New Years' Day, to popularise our #WhatDrivesYou campaign.



Car battery campaign

We focused on the longevity of Exide products and covered their applications of across different domains.



Interventions for dealers

We welcomed the new calendar year 2020 with an innovative marketing initiative – installing digital screens across our top dealer stores around India. Our objective was to showcase the brand through engaging communication as an alternative to regular in-store promotions.

342

SCREENS INSTALLED



10-year performance

(Rs. in crores)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 [#]	2016-17 [#]	2017-18 [#]	2018-19 [#]	2019-20 [#]
Sales (Net)	4,554	5,107	6,071	5,964	6,866	6,848	7,583	9,186	10,588	9,857
Operating Profit	903	687	790	825	917	1,026	1,082	1,241	1,411	1,365
Profit Before Tax (before Exceptional Items)	893	645	742	723	798	908	976	1,048	1,130	1,057
Taxation	274	184	219	236	252	284	282	338	395	210
Net Profit	666	461	523	487	546	624	694	668	844	826
Cash Profit	750	562	636	613	685	782	900	914	1,158	1,188
Earnings Per Share (Rs.)	7.84	5.43	6.15	5.73	6.42	7.35	8.16	7.86	9.93	9.71
Dividend Payout*	140	145	156	178	220	243	243	246	246	499
BALANCE SHEET										
Net Fixed Assets	874	967	1,028	1,025	1,168	1,451	1,687	2,192	2,552	2,671
Investments	1,378	1,555	1,640	1,967	1,896	2,698	2,674	1,969	2,199	2,071
Current Assets	1,329	1,547	1,856	1,941	2,317	1,989	2,414	3,236	3,421	3,500
Total Assets	3,581	4,069	4,524	4,933	5,381	6,138	6,775	7,397	8,172	8,242
Loans	2	-	-	-	18	103	170	-	-	-
Current Liabilities	796	954	1,027	1,120	1,205	1,397	1,486	1,867	2,010	1,844
Subtotal	798	954	1,027	1,120	1,223	1,500	1,656	1,867	2,010	1,844
Deferred Tax Liability	68	83	98	105	126	127	155	141	175	102
Net Worth	2,715	3,032	3,399	3,708	4,032	4,511	4,964	5,389	5,987	6,296
Total Liabilities	3,581	4,069	4,524	4,933	5,381	6,138	6,775	7,397	8,172	8,242
Book Value Per Share (Rs.)**	31.94	35.67	39.99	43.62	47.44	53.07	58.40	63.40	70.44	74.07
Return on Net Worth (%)	30.40	17.00	17.20	14.30	14.70	15.50	15.40	13.50	15.70	13.80

* including Dividend Distribution Tax

** At same per value of share

Figures mentioned against the years between 2015-16 and 2019-20 are in accordance with the provisions under Ind-AS.

Corporate information

BOARD OF DIRECTORS

Mr. Bharat D. Shah
Chairman & Independent Director

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

Mr. Gautam Chatterjee
*Managing Director & Chief
Executive Officer*

Mr. Subir Chakraborty
Deputy Managing Director

Mr. Nawshir H. Mirza
Independent Director

Mr. Sudhir Chand
Independent Director

Ms. Mona N. Desai
Independent Director

Mr. Surin Kapadia
Independent Director

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

Mr. Arun Mittal
Director- Automotive

COMPANY SECRETARY

Mr. Jitendra Kumar

AUDIT COMMITTEE

Mr. Nawshir H. Mirza
Chairman

Mr. Gautam Chatterjee
(inducted w.e.f. 21st April 2020)

Ms. Mona N. Desai

Mr. Sudhir Chand

Mr. Surin Kapadia

NOMINATION AND REMUNERATION COMMITTEE

Mr. Surin Kapadia
Chairman
(appointed w.e.f. 4th August 2019)

Ms. Mona N. Desai

Mr. Sudhir Chand

Mr. R. B. Raheja

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Sudhir Chand
Chairman

Mr. Gautam Chatterjee

Mr. Subir Chakraborty

SHARE TRANSFER COMMITTEE

Mr. Gautam Chatterjee
Chairman

Mr. A. K. Mukherjee

Mr. Subir Chakraborty

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Bharat D. Shah
Chairman

Mr. Sudhir Chand

Mr. Gautam Chatterjee

Mr. Subir Chakraborty

RISK MANAGEMENT COMMITTEE

Mr. Surin Kapadia
Chairman

Mr. Gautam Chatterjee

Mr. Subir Chakraborty

Mr. A. K. Mukherjee

Mr. Arun Mittal

BANKING OPERATIONS COMMITTEE

Mr. Gautam Chatterjee
Chairman

Mr. A. K. Mukherjee

Mr. Subir Chakraborty

EXECUTIVE COMMITTEE

Mr. Gautam Chatterjee

Mr. A. K. Mukherjee

Mr. Subir Chakraborty

Mr. Arun Mittal

Mr. Arnab Saha

Dr. Dipak Sen Choudhury

Ms. Nupur Roy Choudhury

Mr. Avik Roy

Mr. Ranjan Sarkar

Mr. Jitendra Kumar

STATUTORY AUDITOR**B S R & Co. LLP**

Chartered Accountants
Godrej Waterside, Unit No. 603
6th Floor, Tower-1, Plot No. 5
Block-DP, Sector-V, Salt Lake
Kolkata 700 091, India

COST AUDITOR**M/s Mani & Co.**

Cost Accountants
'Ashoka'
111, Southern Avenue
Kolkata 700 029

SECRETARIAL AUDITOR**M/s A. K. Labh & Co.**

Company Secretaries
40, Weston Street 3rd Floor,
Kolkata 700 013

BANKERS

State Bank of India

Standard Chartered Bank

Citibank N.A.

**The Hongkong and Shanghai Banking
Corporation Limited**

BNP Paribas

HDFC Bank Limited

Deutsche Bank AG

ICICI Bank Limited

Axis Bank Limited

Yes Bank Limited

IDBI Bank Limited

RBL Bank Limited

REGISTRAR AND**SHARE TRANSFER AGENT****C B Management Services (P) Ltd.**

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

REGISTERED OFFICE**EXIDE HOUSE**

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

Notice of the 73rd Annual General Meeting

NOTICE is hereby given that the 73rd Annual General Meeting of the Members of the Company will be held on Tuesday, 15th September 2020 at 2.30 PM through video conferencing/Other audio visual means to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March 2020 and the Reports of the Directors and the Auditors thereon.
2. To confirm the payment of first and second interim dividend paid during the financial year ended 31st March 2020.
3. To appoint a Director in place of Mr. Rajan B. Raheja (having DIN 00037480) who retires by rotation and, being eligible, offers himself for re-appointment.

Place: Kolkata
Date: 5th June 2020

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) the remuneration payable to M/s Mani & Co., Cost Accountants (Registration no. 000004) who have been appointed by the Board of Directors as Cost Auditors for audit of the Cost Records of the products manufactured by the Company for the financial year ending 31st March 2021 on a remuneration of Rs. 9,00,000/- (Rupees Nine Lakh only) plus out of pocket expenses and applicable taxes, be and is hereby ratified.”

By Order of the Board

Sd/-

Jitendra Kumar

*Company Secretary and
EVP – Legal & Administration
ACS No. 11159*

NOTES

1. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. The Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) and dispensed personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 20/2020 dated 5th May 2020 read with Circular No. 14/2020 dated 8th April 2020 and Circular No. 17/2020 dated 13th April 2020 (collectively referred as "MCA Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM.
2. In terms of the said MCA Circulars and other applicable circulars issued by Securities Exchange Board of India (SEBI), the 73rd AGM of the Members will be held through video conferencing (VC) or other audio visual means (OAVM). The Members can attend and participate in the AGM through VC/OAVM only. National Securities Depository Limited ('NSDL') will be providing facility for voting through remote e-voting for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The detailed procedure for participating in the meeting through VC/OAVM forms a part of this Notice.
3. In terms of the MCA Circulars since the physical attendance of Members have been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Companies Act, 2013 ("the Act") will not be available for the 73rd AGM.
4. Institutional/Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend AGM through VC/OVAM on its behalf and vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in.
5. For convenience of the Members and proper conduct of AGM, Members can login and join atleast 30 (thirty) minutes before the time scheduled for the AGM i.e. 2.00 PM onwards and shall be kept open throughout the proceedings of the AGM. Institutional Members are also encouraged to attend and vote at the AGM through VC/OAVM.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Notice has been uploaded on the website of the Company at www.exideindustries.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com.
8. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is also annexed hereto.
9. All the documents referred to in the accompanying Notice and Explanatory Statements will be available for inspection in electronic mode from date of circulation of this Notice up to the date of AGM. Members are requested to write to the Company on Investor.agm2020@exide.co.in for inspection of the said documents.

Members desirous of obtaining any relevant information with regard to the accounts of the Company to be placed at the Meeting are requested to write to the Company on or before Tuesday, 8th September 2020 through email on Investor.agm2020@exide.co.in. The same will be replied by the Company suitably.
10. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.

11. Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Company at its 70th Annual General Meeting held on 27th July 2017 appointed M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No.: 101248W/ W-100022) as the Statutory Auditors of the Company for five consecutive years, i.e. till the conclusion of 75th Annual General Meeting, subject to ratification at every Annual General Meeting in between. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.
12. Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), C B Management Services (P) Limited, P-22 Bondel Road, Kolkata – 700 019 (Phone No. [033] 4011 6700/4011 6725/40116729/40116742; Fax No. [033] 40116739; email id: rta@cbmsl.com) for reply to their queries/redressal of complaints, if any, or contact Ms. Seema Bajaj/Ms. Atreyee Mukherjee at the registered office of the Company (Phone +91 3323023400, Email: cosec@exide.co.in).
13. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

Due dates for transfer of Unclaimed Dividend to IEPF are provided in the Report on Corporate Governance and is also available on the website of the Company. Particulars of shareholders who have not encashed their dividend from the financial year ended 31st March 2013 onwards are available on the Company's website at <http://www.exideindustries.com/investors/unclaimed-dividends.aspx> and also on the website of the Ministry of Corporate Affairs.

The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.
14. The Company will be transferring the final dividend and corresponding shares for the financial year ended 31st March 2013 and the interim dividend and corresponding shares for the financial year ended 31st March 2014 on or before 21st August 2020 and 29th November 2020 respectively. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.

Members/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares and/or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time.
15. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.

SEBI vide Press Release dated 27th March 2019 has clarified that the share transfer deed(s) once lodged prior to the deadline of 31st March 2019 and returned due to deficiency in documents submitted, may be re-lodged for transfer.
16. SEBI has mandated the submission of the 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 participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
17. Members holding shares in physical form are requested to register/update their Electronic Bank mandate to receive dividends directly into your bank account by sending following information /documents

by email to C B Management Services (P) Ltd. at rta@cbmsl.com

- a. Name and Branch of Bank in which dividend is to be received and Bank account type
 - b. Bank Account No. allotted by your Bank after implementation of Core Banking Solutions
 - c. 9 Digit MICR no. appearing on the cheque
 - d. 11 digit IFSC Code
 - e. Self-attested scanned copy of Cancelled Cheque bearing the name of Member or first holder, in case shares are held jointly
 - f. Copy of Share Certificate (both side)
 - g. Self-attested scanned copy of the PAN Card
 - h. Self-attested scanned copy of any document (such as Aadhar card/Driving license/Election Identity Card/Passport) in support of the address of the Member as registered with the Company;
18. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective depositories, viz., NSDL and CDSL, will be considered for payment of dividend through NECS, or any other electronic mode. Please contact your DP and register your bank account details in your demat account, as per the process advised by your DP.
19. Members holding shares in physical form are requested to notify/send the following particulars to the Company or RTA to facilitate better service: -
- i. Any change in their address/bank details; email address and
 - ii. 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.
20. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA. Members holding shares in electronic mode may

contact their respective Depository Participants for availing this facility.

21. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

22. Electronic dispatch of Annual Report and Process for registration of Email Ids for obtaining Annual Report and user id/ password for e-voting for the resolutions set out in this notice:

1. In accordance with, the General Circular No. 20/2020 dated 5th May 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated 12th May 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent only in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
2. Members holding shares in physical mode and who have not registered/updated their email addresses with the Company, are requested to provide copy of signed request letter mentioning name, address, Folio No., mobile number and email id of Member alongwith scanned copy of the share certificate (front and back), self-attested copy of PAN card and self-attested copy of any address proof (i.e. Aadhar, Driving License, Passport etc.) in support of the address of the Member as registered with the Company by sending an email to cosec@exide.co.in.

Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to cosec@exide.co.in.

23. Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the

same at <https://www.evoting.nsdl.com> under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice at note no. 24 to avoid last minute rush. Further Members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members who need assistance before or during the AGM with use of technology, can:

- Send a request at evoting@nsdl.co.in or use Toll free no.: 1800-222-990; or

- Contact Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone number 022 24994360; or

- Contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number 022 24994545

3. Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at **Investor.agm2020@exide.co.in**. Such request must reach the Company till **5.00 p.m. on or before Tuesday, 8th September 2020**. Those Members who

have registered themselves as a speaker by 8th September 2020 and have provided adequate details as mentioned above will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM. In the interest of time, each Speaker is requested to express his / her views in 2 minutes.

You may also refer "**Quick Guide**" to the AGM available at the end of this Report.

24. Procedure for Remote E-voting and E-voting at the AGM:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended) and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.

The remote e-voting period commences on Saturday, 12th September 2020 (9.00 a.m. IST) and ends on Monday, 14th September 2020 (5.00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Tuesday, 8th September 2020 may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on 8th September 2020. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members

holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.

Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

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

The results on the resolutions will be declared not later than 48 hours of conclusion of the AGM i.e. or any adjournment thereof. The declared results along with the Scrutinizer's Report will be available on the Company's website at www.exideindustries.com and on the website of NSDL at www.evoting.nsdl.com and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given herein below. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email-ids for e-voting for the resolutions are requested to refer the instructions provided at serial no. 22.

I. Procedure for remote e-voting:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>

either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you.

Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager / Ms. Pallavi Mhatre, Manager at designated email ids at AmitV@nsdl.co.in or pallavid@nsdl.co.in or at telephone no. 022 - 24994360 / 022 - 24994545 who will address the grievances on e-voting.
 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
 3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- II. Instructions for members for e-voting on the day of the AGM are as under: -**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

Place: Kolkata

Date: 5th June 2020

By Order of the Board

Sd/-

Jitendra Kumar

*Company Secretary and
EVP – Legal & Administration*

ACS No. 11159

EXPLANATORY STATEMENT REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013.**Item No.4**

The Board of Directors at its meeting held on 5th June 2020 appointed M/s Mani & Co., Cost Accountants to audit the cost records of the products manufactured by the Company for the year ending 31st March 2021. At the same meeting, the Board of Directors approved a remuneration of Rs. 9,00,000/- (Rupees Nine Lakh only) plus out of pocket expenses and applicable taxes payable to M/s. Mani & Co., 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 & Co., Cost Accountants, for conducting the cost audit for the year 2020-21, 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.4 of the Notice by the Members.

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

ANNEXURE

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard – 2 on General Meetings, requisite particulars of director seeking re-appointment are provided herewith:

Name of the Director	Mr. Rajan B Raheja
DIN	00037480
Date of Birth	19.06.1953
Date of first appointment on the Board	12.12.1991
Brief resume. Qualification, Experience and nature of expertise in specific functional area	Mr. Rajan 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
No. of equity shares held in the Company	Nil
Other Directorships in listed entities / Other Committee memberships* held	DIRECTORSHIPS 1. Prism Johnson Limited 2. Supreme Petrochem Limited COMMITTEE MEMBERSHIPS <i>Membership in Stakeholders Relationship Committee</i> 1. Supreme Petrochem Limited (Member) <i>Membership in Audit Committee</i> Nil
Terms and conditions of appointment or re-appointment	Liable to retire by rotation
Relationship with other Directors, Managers and KMPs	None

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

For other details such as number of Meetings of the Board attended during the year, the remuneration last drawn have been disclosed in the Corporate Governance Report.

Directors' Report to the Shareholders

(Including Management Discussion & Analysis)

Your Board of Directors is pleased to present the 73rd Annual Report of Exide Industries Limited ("Exide" or "Company") together with the Audited Accounts for the year ended 31st March 2020.

ECONOMIC ENVIRONMENT

We are presenting the economic outlook at a time when the world is in the grip of one of the most unprecedented catastrophes in its modern history. The financial year 2019-20 had started on a sour note for the Indian economy with falling demand across the industry, particularly in the first half. Though some growth was seen by February 2020, the body blow to the economy was dealt by the COVID-19 pandemic and the lockdown imposed in end-March to prevent its spread, which brought production and sales to a halt. The nation's economic activity was in disarray as the financial year ended. Barring a few essential sectors, production, sales and movement of people and goods halted completely. The coronavirus, which causes the COVID-19 infectious disease, impacted not only lives but also livelihoods globally.

The Indian economy was affected by falling demand in the first half of FY 2019-20. The growth rate of gross domestic product (GDP) came down to 4.8 per cent during this period. The official GDP figures for the entire year early-estimate the GDP to have grown 4.2 per cent only.

Inflation grew from 3.3 per cent as witnessed in the first half to 7.35 per cent in December 2019, largely due to food inflation. The ongoing US-China trade war weighed on all base metals prices during the year 2019-20 and lead was no exception. Lead prices started the year trading close to the US \$ 1,950 mark, much lower than the price range witnessed during the previous year 2018-19. The downward trend continued till about June, after which it started its upward movement and peaked around US \$ 2,200 mark in October-November 2019. The second half of the year saw weaker-than-expected demand growth in global economy, resulting fall in lead prices to the level of US \$ 1,750 in March 2020.

2020-21 started with two months of near complete lockdown in all sectors of the economy. This did considerable damage to what was, till quite recently, one of the fastest-growing economies of the world. In one blow, the demand as well as the supply side of the economy were stalled.

Standard & Poor's expects the world economy to contract 2.4 per cent, against its earlier estimates of a 0.4 per cent growth. Its Indian subsidiary CRISIL, forecasts India's GDP growth to fall off a cliff and contract 5 per cent in fiscal 2021, cutting down its earlier forecast of a growth rate of 3.5 per cent made in March 2020 and 1.8 per cent in April 2020. The Governor of the Reserve Bank of India has predicted that the Indian economy is expected to contract for the first time in nearly 41 years in the financial year 2020-21. The combined impact of demand compression and supply disruption will depress economic activity in the first half of the year with a gradual recovery expected in the second half.

The world economy saw a somewhat similar crisis in 2008 due to the financial sector disasters in the developed world. Sweeping changes were introduced in the global financial markets after the meltdown caused by the sub-prime crisis. Many erstwhile blue-chip financial institutions either collapsed overnight or survived with government help in a much-contracted form.

Back then, we in India were not so impacted by the sub-prime crisis and could manage to insulate ourselves from the global tsunami. But India in 2020 is a more globally integrated \$3 trillion economy. What happens to the global economy has a direct and immediate bearing on us. Therefore, it will be more difficult for us to absorb the effects of COVID-19. The situation is volatile and will continue to remain so for some time. A forecast made today could change tomorrow. Such uncertainties are going to be the new normal and we have to adapt our way of doing business to these risks.

INDUSTRY STRUCTURE & DEVELOPMENT

The Indian automotive sector reported one of its worst-ever performances during the year 2019-20. The entire financial year was quite challenging for the automotive industry because of reduced liquidity, economic slowdown and poor consumer sentiment, among others. The impending switch from BS4 to the less-polluting BS6, scheduled from April 2020, also led to serious uncertainties. Then, in January 2020, the first case of COVID-19 reached India. As more cases were reported, the government ordered a complete lockdown from 25th March 2020 to prevent the spread of the highly infectious disease. Sales crashed in all the vehicle segments in March and the automotive industry, which was already going through a difficult period, posted a severe decline in all the segments.

Domestic sales of passenger vehicles recorded a de-growth of 17.8 per cent during the year, as compared with a growth of 2.7 per cent in the previous year. The commercial vehicle segment has seen the biggest fall of 28.8 per cent, against a robust growth of 17.6 per cent last year. Domestic sales of three-wheelers have de-grown by 9.2 per cent compared with a growth of 10.3 per cent last year. Two-wheeler sales saw a massive de-growth of 17.8 per cent compared with a growth of 4.9 per cent last year.

COMPANY PERFORMANCE

Automotive Batteries

Amidst the challenging and tough market conditions witnessed by our domestic automotive industry, your Company continued to dominate the automotive battery business and sustained its leadership position. With a wide array of products covering diverse market segments, we managed to register growth across vehicular, non-vehicular and two-wheeler segments.

Original equipment (OE) sales slowed down as demand for automobiles fell. However, Exide managed to maintain its high share across almost all leading vehicle manufacturers. Significantly, the two new companies that began operations successfully in India this year – MG Motor with its Hector model and KIA Motor with its Seltos - started with 100 per cent use of Exide batteries.

Industrial Batteries

Your Company registered a slight de-growth in the Industrial Division during the financial year.

The UPS or Uninterruptible Power Supply vertical, which is the largest business vertical of the Industrial Division, registered single-digit growth. It has become the growth engine of the Industrial Division, with continuous product and process upgradation backed by a strong sales and service network across India.

The Original Equipment (OE) business suffered due to lack of project orders during the year.

Our Solar vertical maintained decent sales momentum by utilising its widespread channel network, with the objective of being the country's most preferred Energy Solution Provider. The focus is to provide reliable and affordable storage solutions for Rural Electrification, Mini and Micro grids & other off-grid and decentralised energy storage in those parts of the country with no electricity grid supply. It is also a part of the "Make in India" initiative. A decline in solar PV additions in 2019 was caused by elections, a slowing economy, liquidity issues, lack of financing and payment delays.

The financial stress in the Indian telecom sector speeded up the consolidation of the industry, and our country witnessed a number of shut-downs and mergers & acquisitions of mobile telephony operators and tower infrastructure companies. The Company's sales to the telecom sector were subdued as the M&A of the telephony companies led to a rationalisation of towers.

2019-20 started with the promise of good growth in the Power & Projects vertical with several new projects lined up. Your Company has continued its dominance over the competition in this division both, in the new and replacement markets. We continued to maintain our market share with our wide range of products, continuous product upgrades and a wide sales and service network. However, the Power & Projects business vertical reported a slight de-growth during the last financial year.

In Traction, the Company is working on an Opportunity Rapid Charge (ORC) battery for specific application areas such as airports, where quick re-charging the batteries of luggage trolley pushers and passenger transporters is a challenge.

In other business verticals of our Industrial division, the railways and mining cap-lamps reported robust growth and Exide continues to be the preferred brand for most of its customers.

Batteries for Submarines

During the year the Company successfully manufactured and delivered submarine batteries to the Indian Navy. It manufactured and supplied two sets of Type-II batteries for the Type 209 submarine and one set of Type-IV batteries for the Scorpene-class submarine. The first set of indigenous Type-IV submarine batteries manufactured and supplied earlier by the Company to the Indian Navy passed all the sea trials successfully. The second set of these batteries was also installed and commissioned successfully.

During the year, the Company also manufactured and exported one set of submarine batteries along with all accessories and spares for the Type 636 submarine to a foreign navy. Two sets of such batteries exported last year were installed and commissioned, passing all sea trials. During 2019-20 it also manufactured and exported one set of mini-submarine batteries.

Exports

Exports of automotive batteries to the Middle East and South-East Asia continued to grow. We made significant inroads into GCC countries, especially Saudi Arabia and the UAE, where a branch office has been set-up.

The Company also entered new markets in Nigeria and Greece this year with its automotive batteries. It focused on expanding the distributor base in South-East Asian countries and invested in brand-building to strengthen its presence in key ASEAN markets for significant export growth in the coming years.

However, the COVID-19 pandemic has severely affected our key export markets in the ASEAN and GCC region since February 2020 and it is likely to impact our growth momentum in the coming financial year.

Your Company expects good opportunities in South American countries such as Peru, Chile, Argentina and Brazil. We also expect big demand in Africa and the Middle East for the solar business, as the supplies from Europe are likely to be disrupted. However, in these continents too much will depend on the route the pandemic takes.

The traction battery business in Europe will depend on the post-COVID-19 situation. We, however, expect steady growth in the standby battery business in Africa, the Middle East and South-East Asia.

COVID-19

The COVID-19 pandemic developed rapidly into a global crisis, forcing the Central Government to order a complete lockdown of all economic activities in India from end-March 2020. This resulted in closure of the offices, factories, ware-houses of the Company as well as all its channel partners and dealer network. The focus of the Company immediately shifted to ensuring the health and well-being of all employees and on minimising the disruption caused to all our stakeholders. Even after more than two months from the declaration of lockdown, the situation remains fluid as on the date of this report. A partial lockdown persists in most Indian cities. The Company has re-started operations at its manufacturing plants at a much-reduced capacity after an extensive lockdown period, albeit under several restrictions imposed by local authorities. The Company's dealer network and supply chain are yet to get fully functional. In line with the directives issued by the government, the Company is encouraging its employees to work from home.

As a result of these disruptions, the Company's operational and financial performance is likely to be impacted during 2020-21. The direction of the industry we are operating is however expected to remain unchanged, though there is uncertainty regarding the timeframe of a full recovery. A forecast made today is likely to get completely changed tomorrow. Such uncertainties are going to be the new normal till there is clear visibility and the situation stabilises.

Impact assessment is a continuing process given the uncertainties associated with its nature and duration. However, it is difficult to establish and quantify the full impact of COVID-19 on your Company at the moment, when we are still in the grip of the pandemic.

Exide gets a significant portion of its total revenue from the Replacement market. Since the COVID-19 pandemic is likely to have a limited impact on this market, your Company will be less affected than the overall automotive industry. The Company has also considered the possible risk that may result from COVID-19 on the carrying amounts of receivables, investments and other financial assets. An internal assessment by the management based on information available to it, indicates minimal uncertainty related to recoverability or liquidation of those assets.

As the timeframe for a full recovery cannot be predicted, Exide has embraced the new normal and is taking all possible steps to mitigate the impact and risk arising out of the COVID-19 pandemic. To deal with the disruption, the Company is executing actions over three broad timelines:

- a) A fast response to navigate the emerging situation with a focus on protecting people;
- b) A reset of current business activities to adapt to the new financial realities; and
- c) A renewal of strategic plans to emerge stronger after the crisis.

The senior management team is continuously monitoring, assessing and taking steps to mitigate the impact of COVID-19 on your Company. Areas where we have been impacted till now are:

- Demand, especially in the OEM segment
- Supply of raw materials and components
- Manufacturing
- Logistics
- Working Capital & Liquidity

To mitigate the risks arising out of COVID-19, the Company is:

- Implementing adequate safety measures for its people
- Creating transparency to enable fast and effective decision-making
- Strengthening the digital workplace to enable effective collaboration

- Identifying trapped value, especially in operating costs, to make the system more cost-efficient
- Interacting with existing and potential customers to enhance our efficiency in after-sales service
- Strengthening business partnerships with vendors and service providers

Exide believes that it is agile and efficient enough to bounce back from the current crisis. The strong balance sheet position and the inherent resilience of our business model positions your Company well to navigate the challenge ahead. Since the overall direction of the industry in which we are operating is likely to remain unchanged, we do not foresee a serious impact of COVID-19 on a long-term basis.

On the other hand, we believe that the current crisis also provides several new opportunities for Exide, because, the pressure on liquidity and continuing economic uncertainty will be to the advantage of large organised players with strong financial health.

Technology Upgrade

To maintain its leadership position, Exide is focused on upgrading its products and manufacturing technology as well as acquiring new and advanced technology to meet the emerging expectations of users. It's Research & Development (R&D) division is recognised by the Indian Government's Department of Scientific and Industrial Research (DSIR) as a fully-accredited Research Centre in energy storage. Continuous upgradation of products to meet the emerging demands of the user industries, new applications, import substitution of raw materials, reducing energy consumption and a shorter manufacturing cycle are some of the priority areas for our R&D.

As in the past, the in-house R&D continues to play a major role as an interface between the emerging demands and the adoption of appropriate technology from collaborators. The year 2020 will be a landmark in the history of automobile technology in the country as compliance with Bharat VI emission norms become compulsory for any vehicle manufactured from 1st April 2020. The government is likely to tighten emission norms further, which should prompt most automobile manufacturers to move towards micro hybrid architecture. In anticipation of the bigger role that an automobile's battery will be required to play in such systems, the Company has initiated the development of the advanced EFB and ISS batteries in technical collaboration with Moura Battery of Brazil. For this purpose, new ultra-modern and fully automated production lines for state-of-the-art expanded plate manufacture with a special 'node-cutting' feature is in advanced stage of installation. Plant

and R&D engineers of the Company are working with Moura to bring out the country's first complete EFB & ISS range in the first half of the current financial year.

Your Company has technical assistance and collaboration agreement with Japan's Furukawa Battery Company Limited for various automotive applications. This encompasses batteries for both 4W and 2W vehicles. The entire 2W battery range is getting upgraded with the help of Furukawa to be Bharat VI compliant. In a major 'first' in the country, the Taloja plant has already started dispatching ISS batteries developed in collaboration with Furukawa to discerning OEMs. As a part of a continuous improvement effort, your Company is developing the revolutionary 'Ultrabattery' technology, a futuristic version of automotive batteries with the very special 'ultra-negative' plates, and these shall soon go for field trials. Such batteries are environment-friendly contribute in several ways to this purpose, including by reducing the vehicles' fuel consumption.

Exide also enjoys the benefits of the long-standing technical cooperation agreement with East Penn Manufacturing, the renowned US lead-acid battery manufacturer, for a variety of automotive and industrial products. It plans to introduce new products in the automotive and industrial segments, based on the regular exchange of ideas between engineers of the two companies. The industrial 'Ultrabattery' for energy storage application, one such product of the collaboration, is now ready for commercial deployment and regular production of these advanced lead-acid cells can begin from the middle of the current year, subject to market demand. Similarly, the Company also plans to develop concept products for different applications - commercial vehicle for example - are being worked out and trials have been planned for different months of this year. The Company has developed a 'Front Access Range' of Industrial VRLA batteries for telecom and UPS application in close cooperation with East Penn and the new products have started hitting the market.

Field testing of the futuristic 'bipolar' lead-acid prototypes has been initiated and the first results for the latest design iteration look very promising. If no major issue arises, this technology should be ready for commercial deployment in two to three years. Your company is developing this type in technical collaboration with Advanced Battery Concepts of the US. The bipolar lead-acid battery is expected to change the basic archaic perception about lead-acid technology and make it competitive vis-à-vis the newer chemistries currently being talked about for energy storage.

HIGHLIGHTS OF PERFORMANCE

Your Company recorded net sales of Rs. 9,857 Crores in 2019-20, against Rs. 10,588 Crores in the previous year, and a profit before tax of Rs. 1,035 Crores against Rs. 1,238 Crores in the previous year.

Standalone Financial Results

	(Rs. In Crores)	
	2019-20	2018-19
Profit before depreciation, finance cost & tax expenses	1,429	1,450
Depreciation and amortisation expenses	363	314
Finance cost	9	6
Profit Before Exceptional item and Tax	1,057	1,130
Exceptional income/(expense)	(22)	108
Profit Before Tax	1,035	1,238
Tax expenses	209	394
Profit After Tax	826	844
Other Comprehensive Income	(18)	- [#]
Total Comprehensive Income for the year	808	844
Balance brought forward	5,902	5,304
Making a total of	6,710	6,148
Out of this, appropriations are:		
Final Dividend for 2018-19 (80%)	68	-
Final Dividend for 2017-18 (80%)	-	68
Tax on Final Dividend	14	14
1st Interim Dividend for 2019-20 (160%)	136	-
Interim Dividend for 2018-19 (160%)	-	136
Tax on above Interim Dividend	26	28
2nd Interim Dividend for 2019-20 (250%)	213	-
Tax on 2nd Interim Dividend	42	-
Aggregate Dividend amounts to 410% for 2019-20 (previous year – 240%)	499	246
And leaving a balance of (which is carried forward to next year)	6,211	5,902

[#] Figure being less than Rs. 50,00,000 has not been disclosed

Consolidated Financial Statements

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

Dividend

During the year under review, your Company has paid 1st and 2nd interim dividend at the rate of 160 per cent or Rs. 1.60 per equity share and at the rate of 250 per cent or Rs. 2.50 per equity share of Re. 1/- each to shareholders

whose names appeared in the Register of Members on 19th November 2019 and 5th March 2020 respectively. Your Board did not recommend a final dividend and therefore the above dividend distribution resulted in a cash outgo of Rs. 417 Crores (including tax on dividend of Rs. 68 Crores).

Share Capital

The paid-up equity share capital as on 31st March 2020, was Rs. 85 Crores divided into 85,00,00,000 equity shares of the face value of Re. 1/- each.

A) Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2019-20.

B) Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2019-20.

C) Issue of employee stock options

The Company did not issue stock options during the financial year 2019-20.

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

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

Deposits

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 (Act) and the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Particulars of Loans, Guarantees or Investments

The Company has not granted any loans or provided any guarantee or security pursuant to Section 186 of the Act. The details of investment made by the Company during the year under review have been disclosed in the financial statements under Note nos. 4 and 9.

Material Changes and Commitments

With the outbreak of COVID-19 pandemic and complete lockdown of all economic activities including the manufacturing facilities, offices, sales network, warehouses and supply chain for the entire month of April and a good number of days in May 2020, Exide may witness material impact on certain areas like revenue generation, profitability, manufacturing capabilities, sourcing of raw material etc., subsequent to the close of the financial year

of the Company to which the financial statements relate and the date of this report.

Except for the material changes and commitments arising out of COVID-19, there have been no material changes that have occurred subsequent to the close of the financial year of the Company to which the financial statements relate and prior to the date of this report.

Key financial ratios

In accordance with SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (i.e. change of 25 per cent or more as compared to the immediately previous financial year) in key sector-specific financial ratios including debtors turnover, inventory turnover, interest coverage ratio, current ratio, debt-equity ratio, operating profit margin (%) and Net Profit Margin (%) and details of any change in Return on Net Worth as compared with the immediately previous financial year along with a detailed explanation thereof.

None of the ratios shows significant changes i.e. change of 25 per cent or more compared with the immediately previous financial year.

Return on Net Worth decreased from 15.7 per cent in 2018-19 to 13.8 per cent in 2019-20. A significant driver is exceptional items. In 2018-19, there was profit from an exceptional item of Rs. 108 Crores (sale of property) versus an exceptional item charge of Rs. 22 Crores [Indirect tax settlement expenses incurred under Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019], in 2019-20. Additionally, the business profit from operations decreased by 9 per cent in 2019-20 over the prior year.

AUDITORS

Statutory Auditors and their Report

B S R & Co. LLP, Chartered Accountants (Firm's Registration No: 101248W/W- 100022) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 27th July 2017 for an initial term of five consecutive years till the conclusion of 75th Annual General Meeting of the Company. B S R & Co. LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The emphasis of matter and the key audit matters paragraphs are self-explanatory and require no clarification.

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

Cost Auditors

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the cost records maintained by the Company in respect of the products manufactured by the Company are required to be audited. Your Directors, on the recommendation of the Audit Committee, have appointed Mani & Co., Cost Accountants (Firm's Registration no. 000004), to audit the cost records of the Company for the financial year 2020-21 at a remuneration of Rs. 9,00,000/- plus out-of-pocket expenses and taxes as applicable.

A resolution regarding the ratification of the remuneration payable to Mani & Co, Cost Accountants (Firm's Registration no. 000004), forms part of the Notice convening the 73rd Annual General Meeting of the Company.

Secretarial Auditors & their Report

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed A. K. Labh & Co., practising company secretaries (FCS: 4848/CP No:3238) to audit secretarial and other related records of the Company for the financial year 2019-20. The Secretarial Audit Report is annexed herewith as **Annexure-I**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

BUSINESS RESPONSIBILITY REPORT

In July 2011, the Ministry of Corporate Affairs came out with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These guidelines contain certain principles that are to be adopted by companies as part of their business practices and require disclosures regarding the steps taken to implement these principles through a structured reporting format, viz. Business Responsibility Report. Pursuant to Regulation 34(2)(f) of SEBI Listing Regulations, the Company has prepared the Business Responsibility Report, which is annexed as **Annexure-II**.

CORPORATE GOVERNANCE

Transparency is the cornerstone of Exide's philosophy and it adheres to all requirements of corporate governance in letter and spirit. All the Committees of the Board of Directors meet at regular intervals as required in terms of SEBI Listing Regulations. Your Board of Directors has taken necessary steps to ensure compliance of statutory requirements. The Directors and Key Management Personnel and Senior Management Personnel of the Company have complied

with the approved 'Code of Conduct for Board of Directors and Senior Management Personnel' of the Company. The declaration to this effect pursuant to Schedule V of the SEBI Listing Regulations signed by Managing Director and CEO of the Company forms part of the Annual Report.

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

BUSINESS EXCELLENCE

A Business Excellence Model strives to establish a framework of improvement across the organisation leveraging the best-of-breed techniques, approach and methodology. The Company has adopted such a model to drive excellence across the organisation involving all its stakeholders including employees and business partners. The capability of organisation in terms of people, process and technology creates superior value for customers as well as other stakeholders. Exide's model of excellence is dynamic, continuously evolving to fulfil the expectations. It regularly participates in external assessments and award competitions, and evaluates findings to continually improve the framework. Some of the external awards won by the Company are the Tamil Nadu State Safety Award, QFCI CCQC / NCQC Award, BML Munjal Award-Achieving Expert Panel Milestone for Excellence through L&D and Zero PPM Award from customer Toyota.

Exide has deployed the globally proven approaches for business excellence and TQM Culture, viz., TPM, Six Sigma, 5S, Kaizen, Quality Circle and Innovation. It has implemented International Standards such as ISO 9001 & IATF16949 for Quality and ISO 14001, ISO 45001 for Environment, Health & Safety, being focused on the health and safety of employees. Our Test House Laboratories, which have NABL accreditation, are annually audited by NABL auditors for compliance as required under ISO/IEC 17025 Standards.

The Quality Circle is an approach that involves shop-floor operators to improve performance and to achieve the business goals through conceiving, designing and executing small projects themselves. The Company has carried out a number of Quality Circle projects in 2019-20. Suppliers of the Company are also involved in this initiative, thereby helping them to improve the quality and performance of their product. For recognition of these

projects implemented throughout the year, it organises Regional Conferences at different locations. These conferences were conducted at Kolkata, Bawal, Hosur and Pune. Suppliers are also involved in such activities. These conferences are learning and sharing platform for factories and suppliers.

The Company has developed and deployed a robust TPM culture across the organisation. All manufacturing units follow TPM practices, though maturity level varies from factory to factory. Six out of the seven factories have won awards for different categories of TPM from the Japan Institute of Plant Maintenance. During 2019-20, the Company has focused on deploying the TPM policies effectively to achieve zero accidents, zero waste, zero breakdowns & zero losses.

OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT

Exide has implemented an Environment, Occupational Health & Safety policy that has been deployed across the organisation. All factories and regional offices are certified for EMS ISO 14001, ISO 45001 & OHSAS 18001 by certification bodies of global repute.

We utilise natural and man-made resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste. We regularly monitor and prevent pollution through waste minimisation at the source; recovery/treatment of emissions and conservation of energy.

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

Employees (new and existing) are trained and made aware of EHS practices being followed in the Company through regular sessions. Operators are also made part of safety committee meetings so that the actions taken for improving the EHS parameters are of actual benefit to them.

The Corporate EHS-Head oversees EHS practice across the organisation and ensures compliance with statutory and regulatory requirements. Besides, there are dedicated teams headed by an EHS head in each factory to ensure effective compliance and implementation.

To counter the inherent risk to the safety and health of employees across all functions and locations of the Company arising out of the COVID-19 pandemic, the

Company implemented a comprehensive standard operating procedure before the lockdown began. It gives guidance on all health and safety-related aspects such as restriction on movement of employees, mandatory quarantine in case of all international travel, visitor management, prohibition of mass gathering, social distancing norms at all meetings and the workplace, use of virtual /digital platform for meetings, implementation of thermal scanning, wearing of masks and gloves etc. The Company has also constituted a war room with representation from senior management personnel to deal with emergent situations arising out of COVID-19.

CORPORATE SOCIAL RESPONSIBILITY

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

- Basic Education
- Health
- Environment Management
- Women Empowerment
- Community Development

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

The disclosures as required by Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are in **Annexure – IV**.

The Company invested Rs. 2,076 Lakhs during 2019-20 under various CSR projects undertaken by it, thereby ensuring over 100 per cent utilisation of the stipulated requirement of Rs. 2,049 Lakhs.

Model projects set up in the previous year were consolidated in the year under review, while the Company pressed on with projects in watershed management, vocational skill development as alternative livelihood

options and employee volunteering initiatives. The model projects that were developed in the previous year, especially the ones in basic education and public health, were replicated as best model projects for impact creation at other locations.

The Company made significant strides in achieving over 100 per cent utilisation for the year to harness all its resources for successful execution and completion of numerous CSR projects across all locations including the manufacturing units at Haryana, Maharashtra, Tamil Nadu, Uttarakhand and West Bengal.

Towards the end of the last quarter of 2019-20, the Company also took up projects to support relief services for the exigencies created by the COVID-19 pandemic, which included financial support for providing critically required medical equipment, PPE for the medical professionals and police/ administration personnel at the front lines, supplying dry rations and fresh meals for the homeless and stranded migrant labourers. Dedicated CSR teams implemented these services around all our manufacturing units, and also in association with our partner organisation at those locations.

The social initiatives undertaken by the Company during the year will go a long way in creating long-term sustainable development through inclusive growth amongst the beneficiaries and neighbouring communities.

INTERNAL CONTROLS

A strong internal control framework is an essential prerequisite of a growing business. In this context, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that your Company's internal control systems are commensurate with its size and scale of operations, and that they are designed to provide reasonable assurance that the Company's financial statements are reliable and prepared in accordance with the law. It has a well-defined system of internal audit to independently review and strengthen these internal controls on an on-going basis. The Audit Committee of your Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of the internal controls.

OUTLOOK

The outlook in the current fiscal, in the middle of the COVID-19 pandemic, remains pessimistic. The International Monetary Fund further slashed India's growth estimate for financial year 2020-21 to 1.9 per cent from 5.8 per cent estimated in January, warning that the "worst recession since the Great Depression" will dwarf

the economic damage caused by the global financial crisis a decade back.

India Ratings & Research has revised the outlook on the auto sector to “negative” from “stable” following weak sales expectations amid macroeconomic headwinds, leading to weak consumer sentiment. Furthermore, sector-specific factors such as an uncertain regulatory environment, limited credit availability and increased cost of ownership after the implementation of Bharat Stage VI will deepen negative consumer sentiments, the rating agency said.

OPPORTUNITIES AND THREATS

The robust growth in automobile sales over the last few years ensures a medium and long-term opportunity for replacement battery sales, where Exide's brand equity and strong channel relationship gives it a huge competitive edge.

While the Company has already taken steps to prepare for the demand from electric mobility, it is simultaneously upgrading technology in the lead-acid space to keep it ahead of the competition.

The lead-acid battery business has seen a host of new players over the last few years, both at a regional and national level. Being the dominant brand in the category, your Company is susceptible to constant pressure at a market level as these new players try to wean away consumers and channel partners essentially through low-price offerings. It is addressing these challenges by adopting the latest technologies and lean manufacturing practices so that it can develop differentiated products quickly to change the price-value equation in our favour.

Market liquidity after COVID-19 and a slowdown of the automotive industry remain the biggest threats to the Company. Risks involved with the volatile social and political environment, slowing economy and lack of financing are some of the other major threats to the Company. Exports continues to remain an opportunity for Exide.

RISKS AND CONCERN

Your Company has delivered the planned business performance during the financial year till the March lockdown that followed the spread of the COVID-19 pandemic to India. During the year, the Company has taken effective measures to ensure that risks of all nature - core, support and strategic are effectively mitigated.

To mitigate the various significant risks during the year, the Company took various initiatives such as manufacturing cost reduction, implementation of Industry 4.0 for productivity, quality and reliability, re-structuring of sales

and marketing network, coaching & strategy programme for senior management, supplier capability and development of alternative sources, cyber-security, automation and digitisation. These initiatives have helped minimise the impact of uncertainties and helped the Company achieve its business objectives during the year.

The COVID-19 pandemic has severely impacted the global as well as Indian economy, trade and commerce. The Company's strategic initiatives have helped it to put in place a strong and effective mitigating action in response to COVID-19's impact on business.

VIGIL MECHANISM/ WHISTLE-BLOWER POLICY

Exide has a Whistle-Blower Policy that offers a formal mechanism to its directors, employees and stakeholders to report genuine concerns about unethical behaviour, actual or suspected, fraud or violation of the Company's Code of conduct in accordance with the provisions of the Act, read with the Companies (Meeting of Board and its Powers) Rules 2014 and SEBI Listing Regulations. The policy provides for adequate safeguards against victimisation of persons who use such mechanism and provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Company has a dedicated email address for reporting such concerns. Any incidents that are reported are investigated and suitable action is taken in line with the Whistle-Blower Policy. It is affirmed that no personnel of the Company were denied access to the Audit Committee. The Audit Committee of Board oversees the vigil mechanism.

The policy is available on the website <http://www.exideindustries.com/investors/governance-policies.aspx>

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

A statement containing the salient features of financials of subsidiaries and associates of the Company in the prescribed Form - AOC-1, forms part of the Consolidated Financial Statement (CFS). This Form highlights the financial performance of each subsidiary and associate company along with their contribution to the overall performance of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014. The said report is not repeated here for the sake of brevity.

In accordance with Section 136 of the Act, the financial statements of the subsidiary and associate companies are available for electronic inspection by the Members of the Company up to the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the CFS and

all other documents required to be attached to this report have been uploaded on the website of the Company at www.exideindustries.com

Exide Life Insurance Company Limited (ELI) and Chloride Metals Limited (CML) are material subsidiaries of Exide as prescribed under the provisions of SEBI Listing Regulations. ELI has assets under management or AUM of over Rs. 15,700 Crores as of 31st March 2020. The total premium collected by ELI during the year ended 31st March 2020 was Rs. 3,220 Crores as against Rs. 2,886 Crores collected during the previous year.

During the year under review, CSE Solar Sunpark Maharashtra Private Limited, CSE Solar Sunpark Tamil Nadu Private Limited and Greenyana Solar Private Limited, became associate companies of Exide. In order to optimise power costs and build a sustainable future by using renewable electricity, your Company, during the year invested in the share capital of the above associate companies, which shall construct, operate, maintain captive generating plants and supply solar power for various manufacturing facilities of Exide. This will lower the power cost of the Company and increase cost-competitiveness.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT-9 attached as **Annexure-V** shall form part of the Board's report. The extract is also available under the Investor section on the website of the Company at www.exideindustries.com.

DIRECTORS

During the year, Mr. Vijay Aggarwal ceased to be director with effect from 3rd August 2019 upon completion of his tenure as Independent Director after serving of about 19 years in the Company. The Board places on record its deep sense of gratitude and appreciation for Mr. Aggarwal's immense contribution, strategic guidance provided during his tenure as an Independent Director and as the Chairperson of the Nomination and Remuneration Committee of the Company.

Mr. Rajan B Raheja (having DIN: 00037480) retires by rotation in accordance with the provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

During the year, Mr. Bharat D Shah was re-appointed as an Independent Director for a second term of five consecutive years w.e.f. 30th April 2020 and Mr. Asish Kumar Mukherjee

was re-appointed as Whole-time Director designated as Director-Finance and CFO w.e.f. 1st May 2020. Their re-appointments were approved by the shareholders by way of Postal Ballot with the requisite majority on 25th March 2020.

Ms. Mona N Desai was re-appointed as an Independent Director for a second term of five consecutive years from the conclusion of the 72nd Annual General Meeting till 21st July 2024 and Mr. Sudhir Chand was re-appointed as an Independent Director for a second term of three consecutive years from the conclusion of the 72nd Annual General Meeting till 21st July 2022.

At the AGM held on 3rd August 2019, Mr. Gautam Chatterjee was re-appointed as Managing Director and CEO for a period of two years w.e.f. 1st May 2019, Mr. Subir Chakraborty was appointed as Deputy Managing Director for a period of two years with effect from 1st May 2019 and Mr. Arun Mittal was re-appointed as Whole-time Director, designated as Director-Automotive for a period of five years with effect from 1st May 2019.

Pursuant to Rule 6(1) of Companies (Appointment and Qualification of Directors) Rules 2014, all Independent directors have registered themselves with Indian Institute of Corporate Affairs, Manesar. notified under sub-section (1) of section 150 of the Act, as the institute for the creation and maintenance of data bank of Independent Directors.

Considering the vast knowledge, experience and expertise in their respective fields, integrity and the contribution made by the above Independent Directors during their first tenure, the Nomination & Remuneration Committee and the Board of Directors of your Company had recommended re-appointment of these Independent Directors for the second term. The Board was of the view that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Director.

Necessary information pursuant to SEBI Listing Regulations, in respect of re-appointment of Mr. Raheja at the ensuing Annual General Meeting is given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on 15th September 2020.

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

KEY MANAGERIAL PERSONNEL

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

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

DECLARATION OF INDEPENDENCE

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, the performance evaluation of the Board as a whole and of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. This exercise was carried out in accordance with the Nomination & Remuneration Policy framed by the Company within the framework of applicable laws.

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

While evaluating the performance and effectiveness of the Board, various aspects of the Board's functioning such as adequacy of the composition and quality of the Board, time devoted by the Board to Company's long-term strategic issues, quality and transparency of Board discussions, execution and performance of specific duties, obligations and governance were taken into consideration. Committee performance was evaluated on the basis of their effectiveness in carrying out respective mandates, composition, the effectiveness of the committees, the structure of the committees and meetings, independence of the committee from the Board, contribution to decisions of the Board. A separate exercise was carried out to evaluate

the performance of Independent Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution to Board deliberations, independence of judgement, safeguarding the interest of the Company and focus on the creation of shareholder's value, ability to guide the Company in key matters, attendance at meetings, etc.

Considering the success of the Company in most spheres and the value delivered to all its stakeholders, it was evident that the Directors had been diligent, sincere and consistent in the performance of their duties. The Directors expressed their satisfaction with the evaluation process.

NOMINATION & REMUNERATION POLICY

In accordance with the provisions of Section 178(3) of the Act and the SEBI Listing Regulations, Exide has a Nomination & Remuneration policy in place. The objectives and key features of this Policy are:

- (a) Formulation of the criteria for determining qualifications, positive attributes of directors, Key Managerial Personnel (KMP) and senior management personnel and also independence of independent directors;
- (b) Aligning the remuneration of directors, KMPs and senior management personnel with the Company's financial position, remuneration paid by its industry peers, etc.;
- (c) Performance evaluation of the board, its committees and directors including independent directors;
- (d) Ensuring board diversity;
- (e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- (f) Directors' induction and continued training.

The Nomination & Remuneration Policy is available on the Company's website under the link <http://www.exideindustries.com/investors/governance-policies.aspx>

MEETINGS

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

During the year under review five (5) board meetings and six (6) audit committee meetings were convened and held, the details of which are given in the Corporate Governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of the constitution of the Board and its Committees are given in the Corporate Governance report.

COMPLIANCE WITH CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

All directors and senior management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management Personnel. A declaration to that effect is attached with the Corporate Governance report.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

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

RISK MANAGEMENT POLICY

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

The ERM framework of the Company is comprehensive and robust enough to respond against any uncertainty. It has risk identification, analysis, evaluation and treatment mechanism, ensuring that smallest factor of uncertainty present any layer is identified, evaluated and treated suitably. Annual risk assessment exercise is conducted in line with the framework, existing risks, their mitigation actions are evaluated and new risks are identified. Risk Management Committee of the organisation reviews the risks, adequacy of mitigating actions and also identifies the new risks. The committee has half-yearly meeting as well as when a major risk triggers. The executive committee of the Company reviews the risk register and effectiveness of mitigating actions, and takes strategic decisions to ensure that organisation successfully achieves the business objectives and fulfils expectations of all its stakeholder. Corporate Risk Register is reviewed annually by Board.

The Risk Management Policy is available on the Company's website at the link <https://www.exideindustries.com/about/policies-certifications.aspx>

LISTING

The equity shares continue to be listed on the BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and The Calcutta Stock Exchange Limited (CSE). The Company has paid the annual listing fee for the financial year 2020-21 to BSE, NSE and CSE.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website under link <http://www.exideindustries.com/investors/governance-policies.aspx>

The disclosure of material related party transactions is required to be made under Section 134(3)(h) read with Section 188(2) of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014 in Form AOC 2. Accordingly, related party transactions that individually or taken together with previous transactions during a financial year, exceed 10 per cent of the consolidated annual turnover as in the last audited financial statements, which were entered into during the year by the Company are enclosed as **Annexure- VI** to this Report.

Your Directors draw your attention to Notes to the financial statements which set out related party disclosures.

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

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations. However, the members' attention is drawn to the statement

on contingent liabilities and commitments in the notes forming part of the financial statements.

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

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

HUMAN RESOURCES

Human Resource continued to be the central focus of Exide. The emphasis on the people of the organisation stems from the belief that human resource is the key factor in achieving success in business. The Company's Human Resources Philosophy continues to be guided by the four Pillars of Employee Efficiency, Development, Welfare and Culture Building.

Focus continued on talent management and leadership development. This year your Company had co-designed and rolled out for its leaders, a one-year staggered leadership & strategy programme, in collaboration with IIM-Calcutta. A cohort of 19 participants was chosen for the inaugural batch. Further under the umbrella of the "Exide Learning Academy" and through our initiatives of "Exide Power" functional training, development centres, individual development planning, e-learning, up-skilling programmes were conducted. In line with our effort of culture building, the Company this year continued with "Exide Coaching Academy 2.0" to develop leaders as coaches through focused reinforcement, role-modelling etc. Further cultural pillars coined as "Exide Leadership Behaviours" have been created to enable change management in the organisation. With initiatives like the "Future R&D programme", the Company has laid the foundation to build a healthy pipeline of talent in the specialist areas of Research and Development.

Exide continues to drive performance through a quarterly evaluation process and a competitive performance-based bonus for all its employees. The "You Did It" platform to publicly recognise and reward top performers continues to motivate our employees.

High-quality leadership talent has also been infused across all functions to build a talent pipeline. Besides, your Company continued to strengthen its position as an "Employer of Choice" across premier B-school campuses and create a strong talent pool to drive the Company's future growth.

The Industrial Relations scenario continued to be positive across all our manufacturing locations. During the year under review, wage settlements were successfully carried out. Sustained efforts were made towards building a transformational work culture by adopting industry best practices of flexible manufacturing, productivity enhancements, total quality management (TQM), workmen engagement, plant trainee schemes, quality circles, etc.

The total number of employees of the Company as on 31st March 2020 was 5,822.

PARTICULARS OF EMPLOYEES

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

The Managing Director & CEO and Whole-time Directors of the Company have not received any remuneration or commission from any of the subsidiary companies.

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Exide has zero tolerance for sexual harassment at the workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules under it. It is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. It has complied with provisions

relating to the constitution of an Internal Complaints Committee under the Act. The Internal Committee (IC) consists of internal members and an external member who has extensive experience in the field.

The Company had organised workshops and awareness programmes at regular intervals for sensitising employees on the issues and implications of workplace sexual harassment. These workshops not only help create a safe and happy work environment to prevent any incidents of such nature, but also an awareness of legal laws. Employees from various functions in Corporate, Marketing, R&D and Projects were part of these workshops.

During the financial year 2019-20, one case of sexual harassment was reported to the IC in March 2020 and was pending at the end of the year. The investigation has since been completed and necessary action has been taken by the Company as on the date of this report. No complaint was pending for more than 90 days.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. That, in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That the Directors have selected such accounting policies and applied them consistently and made 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;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company

and for preventing and detecting fraud and other irregularities;

- d. That the Directors have prepared the annual accounts on a going concern basis;
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

FORWARD-LOOKING STATEMENTS

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

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

ACKNOWLEDGEMENT

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

On behalf of the Board of Directors

Sd/-

Bharat D Shah

Chairman

DIN: 00136969

Place: London

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Place: Kolkata

Date: 5th June 2020

ANNEXURE I

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To

The Members,

EXIDE INDUSTRIES LIMITED

Exide House

59 E, Chowringhee Road

Kolkata - 700020

West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Exide Industries Limited** having its Registered Office at Exide House, 59 E, Chowringhee Road, Kolkata – 700020, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

AUDITORS' RESPONSIBILITY

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

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

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

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

We have relied upon the accuracy of the documents and information as shared by the Company with us through appropriate Information Technology tools to assist us in completing the secretarial audit work during lock down period due to unprecedented situation prevailing in the Country due to CoVID-19 virus pandemic and the same is subject to physical verification by us post normalisation of the situation.

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

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

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2020 according to the provisions of (*as amended*) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. Legal Metrology Act, 2009;
2. The Environment (Protection) Act, 1986 and various Rules thereunder as issued by Ministry of Environment, Forest and Climate Change, Government of India;

to the extent of its applicability to the Company during the financial year ended 31.03.2020 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

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

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

- (a) The Company has entered into 3 (three) separate 'Share Subscription and Shareholders' Agreements' dated 18th April 2019 with "Cleantech Solar Energy (India) Pvt. Ltd." and each of the three Special Purpose Vehicle (SPV) companies, namely, a) CSE Solar Sunpark Tamil Nadu Private Limited;

- b) Greenyana Solar Private Limited; and c) CSE Solar Sunpark Maharashtra Private Limited for purchase of energy from three Captive Power Plants to be set-up by the SPV companies. As a result of above, the Company has agreed to subscribe equity shares comprising at least 26 per cent (twenty-six percent) but not exceeding 30 per cent (thirty percent) of the issued and paid up share capital of each of the 3 SPV companies.
- (b) The Company has taken approval from the shareholders at the Annual General Meeting of the Company held on 3rd August 2019 with respect to the authority granted pursuant to Section 180(1)(a) of the Companies Act, 2013.
- (c) The Company has entered into e-rickshaw market of India by launching its first model branded "Exide Neo" on 16th October 2019.
- (d) In light of heightened concern on spread of COVID-19 across the nation and as per the notifications issued by the Central / State Government(s), the Company has temporarily shut down operations at its manufacturing facilities and offices in most of the states with effect from 23.03.2020 till such time as has been specified in such notifications. However, the Company has partially resumed its operations at some of its locations situated across the country in a gradual and phased manner with effect from 20.04.2020 in compliance of the directives issued and permissions granted by Central/ State Government(s) Authorities.

FOR A. K. LABH & CO.

Company Secretaries

Sd/-

(CS A. K. LABH)

Practicing Company Secretary

FCS – 4848 / CP No.- 3238

UDIN : F004848B000316731

Place : Kolkata

Dated: 5th June 2020

ANNEXURE II

BUSINESS RESPONSIBILITY REPORT 2019-20

About this Report

Sustainability is a core issue for mainstream business, now more than ever before. Enterprise sustainability today is a strategic business concept that has to be embedded within the corporate culture for legal compliance as well as engagements with stakeholders and their well-being. In this world of increased instrumentation, interconnectedness and interdependency, Exide Industries Limited ("Exide" or "the Company") is working continuously to make its business strategy more sustainable. In our journey towards excellence and a sustainable future, we aim to become a global powerhouse respected by customers, preferred by investors and known for innovative products and solutions.

The top leadership of Exide drives Business Responsibility, Corporate Social Responsibility (CSR) and governance of Sustainability within the organisation. Our Board and CSR Committee formulate, revise and update the CSR Policy that governs the implementation of all our CSR initiatives, in line with Section 135 of the Companies Act, 2013. Exide's governance philosophy embraces the tenets of trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. Trusteeship recognises that large corporations have both an economic and a social purpose, so the Board of Directors has to protect and enhance shareholder value, as well as fulfil obligations to other stakeholders.

This Business Responsibility Report complies with our accountability towards all our stakeholders. The report enumerates details required by the guidelines of the Securities & Exchange Board of India along with the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. It summarises our efforts to conduct business responsibly.

About Exide Industries Limited

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

Section A General Information About the Company

1.	Corporate Identity Number (CIN) of the Company: L31402WB1947PLC014919
2.	Name of the Company: Exide Industries Limited
3.	Registered address: Exide House, 59E Chowringhee Road, Kolkata 700020, West Bengal, India
4.	Website: www.exideindustries.com
5.	Email id: exideindustrieslimited@exide.co.in
6.	Financial Year reported: 2019-20
7.	Sectors that the Company is engaged in (industrial activity code-wise)

Industrial Activity Code (as per Central Excise Tariff Code)		Product Category
272		Manufacture of batteries and accumulators
279		Manufacture of other electrical equipment
8.	List of three key products that the Company manufactures (as in balance sheet)	
a.	Electric storage batteries used for starting piston engines	
b.	Other Lead-Acid Accumulators	
c.	Home UPS systems	
9.	Total number of locations where business activity is undertaken by the Company	
i.	Number of international locations	Three
		<ul style="list-style-type: none"> • Sri Lanka • Singapore • UK
ii.	Number of national locations	Nine Factories
		<ul style="list-style-type: none"> • Ahmednagar • Bawal • Chinchwad • Haridwar • Roorkee • Taloja • Haldia • Hosur • Shyamnagar

10. Markets served by the Company – Local/State/National/International

The Company has a pan-India market presence through its extensive dealer network. Internationally, in the fiscal year 2019-20, its automotive and industrial businesses have grown substantially – primarily by penetrating new markets and increasing the market shares in the existing business location, serving markets in over 40 countries in the Middle East, South East Asia, Africa, Europe and America.

Section B Financial Details of the Company

1.	Paid up Capital (INR)	Rs. 85 Crores
2.	Total net turnover (INR)	Rs. 9,857 Crores
3.	Total profit after taxes (INR)	Rs. 826 Crores
4.	Total spending on Corporate Social Responsibility as a percentage of profit after tax	Rs. 20.76 Crores (2.51 per cent)
5.	List of activities in which expenditure in 4 above has been incurred	

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

The Company invested Rs. 2,076.00 Lakhs in FY 2019-20 for the successful execution of numerous CSR projects across all locations including the manufacturing units at Haryana, Maharashtra, Tamil Nadu, Uttarakhand, West Bengal and at the national level. The said projects were undertaken either directly by the Company or through its several partner organisations.

As a socially responsible citizen, the Company provided its financial support for several COVID-19 related relief services, which inter-alia included support for critical medical equipment, distribution of Personal Protective Equipment & personal sanitisation kits for medical professionals, health workers, police personnel, sanitation workers, general public and migrant workers at various locations around its manufacturing units and also at its Head Office in Kolkata.

During the financial year 2019-20, the employee-volunteering engagement activities attracted more employees, their families, vendors, local administration and community stakeholders across all locations. The engagement initiatives leveraged contribution from the volunteers on myriad projects that varied from educational projects with students, tree plantation, creation of a botanical garden, blood donation, HIV AIDS awareness camps to community waste clean-up campaigns and contributions for COVID-19 related PPE/sanitiser distribution at schools.

Section C Other Details

1. Does the Company have any subsidiary Company/companies?	<p>As on 31st March 2020, your Company has eight (8) subsidiary companies out of which five are registered in India and three abroad.</p> <ul style="list-style-type: none"> i. Exide Life Insurance Company Limited, (ELI), India ii. Chloride Metals Limited (CML), India iii. Chloride Power Systems & Solutions Limited. (CPSSL), India iv. Chloride International Limited (CIL), India v. Exide Leclanche Energy Private Limited (ELEPL), India vi. Chloride Batteries S.E. Asia Pte Limited (CBSEA), Singapore vii. Espex Batteries Limited (ESPEX), UK viii. Associated Battery Manufacturers (Ceylon) Limited (ABML), Sri Lanka
---	---

2. Do the subsidiary Company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

The Company involves its subsidiaries in BRR initiatives. All subsidiaries are guided by Exide values and code to conduct business in an ethical, transparent and accountable manner. Two subsidiary companies, viz., Chloride Metals Limited (CML) and Exide Life Insurance Company Limited (ELI), have their CSR activities and sustainability initiatives, which are completely aligned with the overall parent organisational framework for planning, execution, management and monitoring.

3. Do any other entity/entities (e.g. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30 per cent, 30-60 per cent, More than 60 per cent]

Suppliers and distributors are critical to the Company's supply-chain sustainability. The Company has several programmes to engage suppliers in BRR initiatives. Supplier Sustainability programme for developing suppliers' capability on key facets of sustainability – risk management, safety, health and environment etc- is one such initiative that engaged a large number of small and medium suppliers. Technology, Quality and Efficiency improvement initiatives are regularly conducted involving the suppliers. A large number of the Company's suppliers and other business associates are established entities in the organised sector. Company has several OEMs customers. Most of such entities follow their business responsibility initiatives. Overall, 30-60 per cent suppliers/ customers participate in various business responsibility initiatives.

Section D BR Information**1. Details of Director/Directors responsible for BR**

a. Details of the Director/Directors responsible for the implementation of the BR policy/policies	
• DIN Number	00012306
• Name	Mr. Gautam Chatterjee
• Designation	Managing Director & Chief Executive Officer
b. Details of the BR head	
• DIN Number	The Executive Committee, comprising of Key Managerial Personnel and Senior Management Personnel oversees the implementation of the BR Policies
• Name	
• Designation	
• Telephone Number	+91 33 23023400
• Email id	exideindustrieslimited@exide.co.in

2. Principle-wise (as per NVGs) BR Policy/policies**(a) Details of compliance (Reply in Y/N)**

SI No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy for	Y*	Y*	Y	Y	Y	Y	N	Y	Y*
2	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	N	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	All policies conform to the various requirements of relevant regulatory authorities at the national and international level.								
4	Has the policy been approved by the board? If yes, has it been signed by the MD/Owner/CEO/appropriate board director?	Y	Y	Y	Y	Y	Y	N	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online	(i)	(i)	(ii)	(i) & (iii)	(v)	(iii)	N	(iv)	(i)
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
8	Does the Company have an in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	N	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has various grievance redressal mechanisms for different stakeholders such as employees, shareholders, customers, regulatory authorities etc.								
10	Has the Company carried out independent audit/ revaluation of the working of this policy by an internal or external agency?	Annual External audits are conducted for Quality, Health, Safety and Environment. NABL audits the product testing laboratories. Customers, mostly OEMs, periodically conduct audits to evaluate the effectiveness of deployed policies								

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

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

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

- iii) <http://docs.exideindustries.com/pdf/policies-certifications/sustainability-policy.pdf>
<http://docs.exideindustries.com/pdf/policies-certifications/env-health-&-safety-policy.pdf>
<http://docs.exideindustries.com/pdf/policies-certifications/risk-management-policy.pdf>
 (iv) <https://www.exideindustries.com/investors/governance-policies.aspx>
 (v) <http://docs.exideindustries.com/pdf/policies-certifications/human-rights-policy.pdf>

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

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

3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than one year**

The Executive Committee, comprising of the Key Management Personnel and Senior 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 periodically. This Committee meets every month; however, the BR performance on an average is assessed in 3-6 months.

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

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

Section E Principle-wise Performance

PRINCIPLE 1:

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

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

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

The Company has a vigil mechanism governed by the "Whistle Blower Policy" for employees and stakeholders of Company to report genuine concerns about unethical behaviour, actual or suspected, fraud or violation of Company's Code of Conduct. Through this, it has placed mechanism for ensuring confidentiality and protecting the whistle-blower from

any harassment/victimisation, retaliation, the threat of termination of service, appropriate action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the whistle-blower's right to continue to perform his/her duties/functions including making further protected disclosure. The policy is monitored by the Chairman of the Audit Committee and the Whistle Officer of the Company.

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

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

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

During the financial year 2019-20, three complaints were received relating to manipulation of stock, data and battery service issues. These complaints were received under the whistleblowing/ vigil mechanism and were investigated and reviewed. The employees engaged in the wrongdoing were terminated from service. The investigation revealed that it did not have a material financial impact on the Company.

PRINCIPLE 2:

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

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

- I. Advanced Valve-Regulated Lead-Acid (VRLA) technology for Telecom – Reduces water loss/ does not require water top-up by the consumer; saves energy as the required recharge energy is significantly lower than that of conventional flooded-type cells/batteries;
- II. Products for Solar Energy Storage- Promote the harvesting of environmentally friendly solar energy and support sustainability efforts in society;

- III. ISS Battery For Automotive – Improved the fuel efficiency of vehicles as well as the relative life of the battery.

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

- i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company has implemented various management programmes to reduce the consumption of energy, water and natural resources, and complies with the International Standard on Environment Management (ISO 14001). Energy is a key focus area for the Company. There is corporate head to monitor, control and improve the energy consumption and implement the best practices. Some of the corporate focus programmes include solar energy projects for factories.

Company practices TPM, a Japanese manufacturing excellence practice, across all its manufacturing factories. The Japan Institute of Plant Maintenance has given TPM Excellence awards to the six factories. Through a pillar-based approach, there is a focused initiative to improve the yield of lead, which is the critical raw material.

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

- (a) If yes what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Lead, the main raw material for the Company's products, is sourced either through mining or by recycling of lead/lead-based products. The Company is gradually increasing the quantity of recycled lead in its products and has created an elaborate system to collect used batteries, mainly through its dealers. The Company has also acquired two lead smelting units for captive consumption. At present, the Company meets close to 40 per cent of its lead and lead alloy requirements from recycled lead. The vendors are assessed through a stringent onboarding system that is part of the E-sourcing mechanism and have to comply with regular audits for maintaining the sustainability perspectives in line with the Vendor Policy.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

(a) If yes what steps have been taken to improve their capacity and capability of local and small vendors?

The Company's manufacturing facilities are at nine locations across India. In each of the locations, the Company has taken special measure to make small vendors an integral part of its supply chain. The key service inputs for manufacturing are sourced locally in almost all locations. The manpower suppliers/ contractors/ maintenance, etc. are some of the key services taken locally from small vendors. The Company encourages and develops local manufacturers and small enterprises for the supply of various locally procurable goods, e.g. boxes, charging and small-parts manufacturing. The Company gives regular technical assistance to such enterprises to upgrade and maintain the quality and sustainability of the products they manufacture. New vendors are added every year for different categories of material supply and job work.

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

The Company has a structured process to ensure recycling of products and waste generated during the process. Dealers collect old batteries at the end of the product life from the customer. The Company has taken a special initiative to scale up the registration of dealers with state pollution control boards for improved accountability regarding the recycling of used batteries.

The Company also has a wholly-owned subsidiary, Chloride Metals Limited (CML), to process these batteries and extract lead in an environment-friendly way. The extracted lead is a key input for the battery. During the process, waste generated in the form of rejects or waste is recycled. The Company ensures optimal usage of raw materials and emphasises the recycling of waste generated during the manufacturing process and promotes the use of recycled materials. Our subsidiary CML has two captive smelting plants for recycling of lead. To support the recycling volume,

the Company is expanding the capacity and setting up a smelting facility in West Bengal.

Apart from this, the packaging material used by the Company also contains recycled paper to a significant extent. Also, most of the plants use recycled grey water for cleaning and gardening purposes. All the manufacturing and one of the smelting units are certified under the environmental management system ISO 14001. As a result, all these locations have a robust waste management system that ensures plastic recycling for use in battery manufacturing.

PRINCIPLE 3:

BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the total number of employees – **5,822**
2. Please indicate the total number of employees hired on temporary/contractual/casual basis – **7,398**
3. Please indicate the number of permanent women employees – **111**
4. Please indicate the number of permanent employees with disabilities – **Nil**
5. Do you have an employee association that is recognised by the management – **Yes**
6. What percentage of your permanent employees is members of this recognised employee association? – **55 per cent**
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year and pending as on the end of the financial year-

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

* During the financial year 2019-20, one case of sexual harassment was reported in March 2020 and was pending at the end of the year. The investigation has since been completed and necessary action has been taken by the Company as on the date of this report. No complaint was pending for more than 90 days.

8. What percentage of your under-mentioned employees were given safety training and training for upgrading skills in the last year?

- Permanent employees – 40 per cent
- Permanent women employees – 5 per cent
- Casual/temporary/contractual employees – 15 per cent
- Employees with disabilities – Nil

PRINCIPLE 4:

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

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

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

External Stakeholders: Customers, dealers, vendors, technical collaborators, suppliers, shareholders, regulatory authorities, NGOs, social institutions, communities around our operations and members of the society at large who are directly or indirectly impacted by the Company's operations.

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

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

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

The Company had taken up specific initiatives for the disadvantaged, vulnerable and marginalised stakeholders. Such initiatives were taken up by partnering with organisations such as Cheshire Homes Kolkata, CII Foundation, Project UDAAN, Child in Need Institute (CINI), Child Reach and India Sponsorship Committee. These initiatives revolved

around support for education, nutrition, and health of young girls and women with disabilities and complete rehabilitation programmes for destitute children.

Parallel initiatives were also implemented directly by some of the manufacturing units for health care, sanitation and livelihood enhancement programmes especially for women from vulnerable backgrounds around the plant locations. Some of the significant ones are the women empowerment programme at our Taloja plant, which supports livelihood training for tribal women. In Bawal, a school bus initiative helps over 100 girl students continue their education although they stay in remote villages in Rewari district of Haryana. COVID-19 relief services were provided across all the plants and in Kolkata in the form of PPE kits, dry rations and freshly cooked meals to the worst-affected populations.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

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

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

None.

PRINCIPLE 6:

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

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

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

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

The Company recognises that climate change is a real threat facing not just the Company but the entire global community. Green supply chain through E-sourcing, lithium-ion technology, East Penn Punch Plate Technology, projects related to solar power, and solar battery manufacturing technology are some of the key strategies. Environmental impact assessment and plantation in factories are some of the initiatives in practice.

The Company has a large product pipeline to support the demand and usage of solar energy initiatives. The Company has a well laid down Environment and Sustainability policy and is always striving to implement measures to reduce GHG emissions.

The Environmental Policy of the Company may be viewed at www.exideindustries.com.

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

Yes. The Company and its subsidiaries have a risk management process that actively identifies, assesses and addresses potential environmental risks and takes pre-emptive actions to mitigate such risks. The manufacturing units and subsidiaries have a risk management framework. The vendors are also covered under the vendor sustainability model. Major vendors are already engaged for training and disseminating information on risk management. The engagement sessions with smaller vendors are in process. We have implemented the ISO 14001 system in all our factories and compliance is ensured. Aspect and Impact study of our operations/activities are identified and measures are ensured to reduce the impact on the environment through our operations/activities. Environmental incidents and improvements done are monitored.

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

To move forward in clean development, the Company is optimising the SCM to reduce the carbon emissions in the distribution network by reducing

shipment distances and making warehouses near supply locations. This will reduce unnecessary vehicle movement pan India and reduce carbon emissions. All manufacturing units and the smelting unit of our subsidiary Company CML along with the industrial regional offices are ISO 14001 certified. Clean Development Mechanism (CDM) is eventually stringently followed as part of the compliance system of the certification. The Company monitors air, water and noise emissions regularly and these are regulated in line with the prescribed norms for monthly reporting to the SPCBs at each location. Many of the Company's products are meant to provide clean energy or replacing polluting technologies. The Company is also engaged in renewable energy and solar power business as it manufactures batteries for solar power systems. The Company also manufactures batteries for hybrid vehicles and so contributes to the movement towards reducing dependence on fossil fuels.

The Company has also undertaken various projects for use of renewable energy, viz., solar and wind power, in its various plants, which should help reduce its carbon footprint. As stated earlier, proactive steps are taken to reduce GHG emissions continually.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for webpage, etc.

Yes. There is a constant focus at all level in the Company to conserve the energy and use it efficiently. This is the key to financial success also, as energy is one of important cost element of conversion cost. Your Company has been implementing short and long-term actions to improve energy efficiency as its commitment toward minimising the effects of factors in climate change. Your Company has a mechanism to excel in this area. Regular review is conducted for evaluating the progress and effectiveness of various ongoing initiatives to reduce energy consumption. To produce solar energy, rooftop panels have been installed in the factories, an energy audit is conducted and recommendations are acted on. The Company has been progressively reducing its energy and raw material consumption per unit of battery manufactured. The Annexure to the Director's Report contains details of the steps taken to conserve energy during the financial year 2019-20. We do VA/VE or value analysis/ value engineering in our products to reduce the lead consumption in the product so that we can reduce the consumption of natural resources

and as our product is hazardous, this will also reduce hazardous waste.

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

Yes. All factories comply with CPCB/SPCB requirements with the prescribed emission norms. Legal register and compliance evaluation process are in place at all the manufacturing and smelting units. All the factories of the Company comply with various norms of the state or central pollution control boards. The Company's factories have also obtained international certifications for environmental management and cleanliness. A government official and third-party auditors of the certification bodies verify these reports every year during their visit to factories.

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

No show-cause or legal notices from the pollution control authorities are pending as at the end of the financial year 2019-20.

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 include:

- 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 the above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Through joint actions with various pollution control authorities and other associations, public awareness campaigns have been organised regarding the responsible use of lead and its proper disposal. 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 Confederation of Indian Industry (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:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

The Company considers sustainable development important for inclusive growth and equitable development. During FY 2019-20 the Company engaged in several socially inclusive and developmental projects. These were implemented both at the national level and around the adjoining areas of all the plants and subsidiary units. Promoting basic education, skill development programmes especially for women, public sanitation facilities, watershed management projects for making safe drinking water available at all levels especially at schools and public places, diverse health care programme including support for relief services for COVID-19 exigencies across all locations, substantial investment for inclusive education, rehabilitation of vulnerable communities including children with disability, women and senior citizens from vulnerable and marginalised backgrounds, strategic rural development projects all provides testimony and adherence to the gamut of inclusive growth and equitable development in pursuit of the policy related to Principle 8.

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

As mentioned in section: B Question No. 5 nearly 75.35 per cent of the total CSR investments were executed through reputed NGOs/government institutions and government schools. While 24.65 per cent of the investments for relevant projects were implemented through in-house and dedicated CSR teams at each plant led by the Central CSR team.

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

Yes. CSR projects have been analysed for their impacts on the target beneficiaries by third-party assessment organisation for all the CSR interventions across all projects both for the parent company and the subsidiary.

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

Overall the Company has spent INR 2,076.00 Lakhs on CSR projects during 2019-20 mainly for promoting education, support for health with special emphasis on COVID-19 relief services, sanitation, making available safe drinking water, promoting environmental sustainability and conservation of natural resources, women empowerment and unique livelihood enhancement programme which brought in inclusive growth, empowerment and insightful transformations within the beneficiary communities. Direct interventions were made through significant social investments projects across all plant locations in Haryana, Uttarakhand, Maharashtra, West Bengal and Tamil Nadu. Similar projects were also undertaken at the subsidiary plant locations in Maharashtra and Karnataka. In 2019-20, our employee volunteering programme contributed in making a difference in the lives of students at different locations along with myriad and significant involvement with environmental, health and sanitation interventions ranging from tree plantation, creation of botanical garden, blood donation, HIV AIDs awareness camps to community waste clean-up campaigns.

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

Community development initiatives are driven by the needs of a community, which is then involved in planning a project and implementing it. This ensures

better ownership and sustainable development in the long run. Infrastructure projects have made a significant difference to the schools. Projects like women empowerment for livelihood and healthcare, health check-up camps, community solid waste management systems, watershed management programmes are some of the successful models initiated in association with the community and the local administration. Special care is taken to handhold projects until the communities absorb the knowledge to manage them.

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 at the end of the financial year?

The Company resolves customer complaints promptly and has taken a drive to close calls within 24 hours. There is escalation matrix in case complaints are not resolved promptly. Overall, percentage of complaints which are pending is 3.47 per cent.

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

Yes, the Company has displayed all mandatory information on the product labels as per local laws. Over and above the same, the product labels are designed to make customers aware of the procedures for 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 at the end of the financial year? If so, provide details thereof in about 50 words or so.

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

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

We have a process of taking customer feedback and customer satisfaction. It is taken periodically from

all the OEMs. The feedback on product experience, packaging, service support, behaviours, response etc. are aimed at ensuring that the company continually upgrade the process to exceed changing expectation of the customer.

In the trade segment, the feedback is taken from the customers through portals and one of the vital parameters, turnaround time (TAT), is monitored for all the complaints raised by the customers. The overall pan-India TAT is two days and is improving every year. In our Industrial segment, the feedback from our customers is taken regularly and the improvements in products and services are done based on these feedbacks. In addition, customer care is an integral part of the organisational system for which the Company

has set up more than 1500 exclusive outlets promising an out-of-the-world experience to customers. Familiar as Exide Care, these flagship outlets are the pride of Exide Industries and reinforce the Company's commitment to superior customer care and service. These offer complete auto power solutions through the Company's wide range of products. Exide Care outlets maintain specified service standards and offer complete customer delight and experience of the brand through a combination of state-of-the-art design, pleasant ambience, cutting-edge service technology and customer focus.

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

On behalf of the Board of Directors

Sd/-

Bharat D Shah

Chairman

DIN: 00136969

Place: London

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Place: Kolkata

Date: 5th June 2020

ANNEXURE III**REPORT ON CORPORATE GOVERNANCE 2019-20****GOVERNANCE PHILOSOPHY**

The Company's approach and commitment to ethical corporate governance have remained unchanged in the 73 years of its existence. The underlying principles and core values still guide the Company in all its executive decision-making processes.

Corporate governance is an internalised process that drives your Company to remain in its path as a creator of sustainable wealth for all its stakeholders – shareholders, customers, employees and the society in which it exists. Your Company believes that while large corporates are using substantial societal resources to generate wealth and add value, it is good corporate governance which ensures that the wealth creation process is sustainable.

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

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

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

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

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

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

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

The corporate governance principles and processes 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

Exide Industries practices corporate governance within the following three interlinked levels:

1. Strategic supervision – by the Board of Directors
2. Strategic management – by the Executive Committee
3. Executive management – by the Divisional Heads of businesses

The structure ensures that at the ground level the executive management of the divisions are focused on strengthening 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, which provides strategic supervision on behalf of the shareholders. The Board is free from the task of strategic management but has the larger role of guiding the executive management with objectivity so that accountability is ensured at all levels.

The central role of these three entities is dependent on the structure. Their role, in turn, determines the responsibilities that are 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 is placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

Composition

As on the date of this report, the Board of Directors of the Company consists of four (4) Executive Directors and six (6) Non-executive Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience in business, finance, audit, law, corporate governance and corporate management

which enables the Board to discharge its responsibilities and provide effective leadership to the business. The skills and expertise available with the Board are adequate within the context and needs of the business of the Company. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the Board is a Non-executive Independent Director. None of the directors of your Company is related to each other.

The following are the details of each member of the Board along with the number of Directorships/Committee Memberships/Chairmanships:

Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s) as on 31st March 2020

Name of Director	Category of Directors	No. of other Directorships held excluding Exide(*)	Committee memberships held in other Companies (**)		Directorships held in other Listed entities and category of directorship
			As Member	As Chair-person	
Mr. Bharat Dhirajlal Shah	Independent Non-executive Chairman	8	7	1	1. Strides Pharma Science Limited (Non-executive Independent) 2. 3M India Limited (Non-executive Independent & Chairman) 3. Mahindra Life Space Developers Limited (Non-executive Independent) 4. Spandana Sphoorty Financial Limited (Non-executive Independent)
Mr. Rajan B Raheja	Non-executive Non-independent	4	1	Nil	1. Prism Johnson Limited (Non-executive Non-independent) 2. Supreme Petrochem Limited (Non-executive Promoter)
Mr. Gautam Chatterjee	Executive Director	3	Nil	Nil	Nil
Mr. Asish Kumar Mukherjee	Executive Director	3	1	Nil	Nil
Mr. Subir Chakraborty	Executive Director	4	Nil	Nil	Nil
Mr. Arun Mittal	Executive Director	3	Nil	Nil	Nil
Ms. Mona N Desai	Independent Non-executive Director	2	1	Nil	Nil
Mr. Sudhir Chand	Independent Non-executive Director	1	2	Nil	1. ESAB India Limited. (Non-executive Independent)
Mr. Nawshir H Mirza	Independent Non-executive Director	1	Nil	1	1. Thermax Limited (Non-executive Independent)
Mr. Surin Shailesh Kapadia	Independent Non-executive Director	2	Nil	1	1. EIH Associated Hotels Limited (Non-executive Independent)

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

** Committees include only Audit Committee and Stakeholder's Relationship Committee

Appointment/Re-appointment of Directors

Mr. Rajan B Raheja, Non-executive Director retires by rotation in accordance with the provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

During the year, Mr. Bharat D Shah was re-appointed as Independent Director for a second term of five consecutive years w.e.f. 30th April 2020 and Mr. Asish Kumar Mukherjee was re-appointed as Whole-time Director designated as Director-Finance and CFO w.e.f. 1st May 2020. Shareholders approved their re-appointments by way of Postal Ballot with the requisite majority on 25th March 2020.

Your Board of Directors wishes to record its sincere appreciation for the services rendered by Mr. Vijay Aggarwal during his long association with the Company.

Mr. Raheja does not hold any Equity Shares in the Company and details as required under Regulation 36(3) of SEBI Listing Regulations has been appended to the Notice of the Annual General Meeting which is being circulated to the Members along with this report.

Any person who becomes Director or Officer, including an employee who is acting in a managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action brought against its Directors and officers for alleged wrongful acts under the Directors' and Officers' Liability Insurance subject to certain terms and conditions.

Meetings and Attendance

During the financial year ended 31st March 2020, five (5) board meetings were held on 30th April 2019, 2nd August 2019, 6th November 2019, 4th February 2020 and 24th February 2020 respectively. The previous Annual General Meeting was held on 3rd August 2019.

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

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr. Bharat Dhirajlal Shah	5	Yes
Mr. Rajan B Raheja	3	-
Mr. Gautam Chatterjee	5	Yes
Mr. Asish Kumar Mukherjee	5	Yes
Mr. Subir Chakraborty	4	Yes
Mr. Arun Mittal	5	Yes

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr. Vijay Aggarwal*	2	-
Ms. Mona N Desai	5	Yes
Mr. Sudhir Chand	5	Yes
Mr. Nawshir H Mirza	5	Yes
Mr. Surin Shailesh Kapadia	5	-

*Ceased to be director upon completion of tenure on 3rd August 2019

Independent Directors

Independent Directors play a significant role in the governance processes of the Board by enriching the Board's decision making and also preventing possible conflicts of interest that may emerge in such decision making.

The Company has appointed Independent Directors for a term of five years from their respective dates of appointment as per the requirements of the Companies Act, 2013 ("Act") and Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"). The Nomination and Remuneration Committee identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes recommendation to the Board.

None of the existing Independent Directors serves as Independent Director in more than seven listed companies in line with the requirements of SEBI Listing Regulations. The said Independent Directors have also confirmed that they meet the criteria of independence as laid down in the Act and SEBI Listing Regulations, as amended and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of management.

Directors' Induction, Training and Familiarisation

The Board is responsible for the selection of new directors on the recommendations received from the Nomination and Remuneration Committee. After getting appointed, the directors receive a formal letter of appointment which, inter alia, explains the role, functions, duties and responsibilities expected from him/her as a director of the Company. The director is also explained in detail the compliances required to be made under the Act and the SEBI Listing Regulations and other relevant regulations.

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

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

Board Portal – Meetings Management System

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

Code of Conduct for Directors and Senior Management Personnel

All Directors and members of the Senior Management have affirmed their compliance with the Code of Conduct for Board of Directors and Senior Management Personnel (SMP) as on 31st March 2020 and a declaration to that effect, signed by the Managing Director & CEO is enclosed and forms part of this report. The Code of Conduct for Board of Directors and SMP has also been posted on the website of the Company at <http://www.exideindustries.com/investors/governance-policies.aspx>

COMMITTEES OF THE BOARD

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained below. Each of these Committees demonstrates the highest levels of integrity and has the requisite expertise to handle issues relevant to their field.

A. AUDIT COMMITTEE

The Audit Committee acts as an interface between the Statutory Auditors and Internal Auditors, the

Management and the Board of Directors. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and SEBI Listing Regulations which was reviewed and amended by the Board of Directors during the year.

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

- (a) Assist the Board of Directors of the Company in fulfilling its responsibilities to oversee the:
 - i. Company's financial reporting process;
 - ii. the integrity of the Company's financial statements according to the authority and responsibilities provided in the Charter;
 - iii. Auditors' appointment, qualifications and independence;
 - iv. the performance of the Company's internal audit function and that of statutory auditors.
- (b) Oversee the reporting requirements for inclusion in the Company's annual report.
- (c) Laying down the criteria for granting the omnibus approval in line with Policy on Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.
- (d) Review with management of quarterly and annual financial statements.
- (e) Review the compliance of risk management system, adequacy and effectiveness of internal financial controls and system to ensure compliance with the provisions of all applicable laws.
- (f) Review the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and verify adequacy and effectiveness of internal control system to ensure its compliance.

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

In addition to quarterly meetings for consideration of financial results, special meetings of the Audit Committee are convened. In these meetings, the Audit Committee, inter-alia, reviews various matters arising out of internal audit, control assurance reports and other areas as per its terms of reference.

Composition and Attendance

The Audit Committee at present has five (5) directors out of which four (4) are Non-executive Independent Directors. Mr. Nawshir H Mirza, Chairman of the Committee, is a Non-executive Independent Director and a Chartered Accountant, acknowledged as a financial expert in his own right. All the other members are well-versed in corporate finance and related areas.

During the financial year ended 31st March 2020, six (6) Audit Committee meetings were held on 30th April 2019, 2nd August 2019, 30th September 2019, 6th November 2019, 4th February 2020 and 19th March 2020 respectively. The composition and attendance of the Committee meetings are as follows:

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

*Ceased to be director upon completion of tenure on 3rd August 2019

** Inducted as Member w.e.f. 20th April 2020

The Chairman of the Committee was present at the Annual General Meeting of the Company held on 3rd August 2019.

The Managing Director & CEO, Director- Finance & CFO and other executive directors are permanent invitees to the Audit Committee meetings. The representative(s) of the Statutory Auditors also attend the Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee.

Other members of the management and Chief-Internal audit are also invited as may be required from time to time.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors to obtain their inputs on significant matters relating to their respective areas of audit without the presence of the management.

B. NOMINATION & REMUNERATION COMMITTEE

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

- To identify persons who are qualified to become directors and who may be appointed in the senior management and to lay down the criteria thereof;
- To recommend to the Board appointment of Directors and Senior Management Personnel and their removal;
- To evaluate the individual director's performance;
- Formulate the criteria for determining the qualification, positive attribute and independence of the directors;
- Recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and other employees; and
- Devising a policy on board diversity.

During the year under review, the Nomination & Remuneration policy was reviewed and amended by the Board of Directors. The revised policy is available on the website of the Company at <http://www.exideindustries.com/investors/governance-policies.aspx>

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

Composition and Attendance

The Nomination and Remuneration Committee at present has four (4) Non-executive Directors. Mr. Surin Shailesh Kapadia, Chairman of the Committee, is also a Non-executive Independent Director. The Company Secretary acts as the Secretary to the Committee.

During the financial year ended 31st March 2020, four (4) meetings of the Nomination & Remuneration Committee were held on 30th April 2019, 2nd August 2019, 6th November 2019 and 4th February 2020 respectively.

The composition and attendance details of the Committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Vijay Aggarwal [#]	Independent Non-executive	Chairman	2
Mr. Surin Shailesh Kapadia ^{**}	Independent Non-executive	Chairman	4
Ms. Mona N Desai	Independent Non-executive	Member	4
Mr. Sudhir Chand	Independent Non-executive	Member	4
Mr. Rajan B Raheja	Non-executive Non-independent	Member	3

[#] Ceased to be director upon completion of tenure on 3rd August 2019

^{**} Appointed as Chairman w.e.f. 4th August 2019

Remuneration of Directors

Details of Remuneration paid/payable to the Directors for the year ended 31st March 2020 are as follows:

(in Rs.)						
Name of Director	Salary & Performance Bonus	Contributions to retiral funds	Perquisites & Other benefits	Commission ¹	Sitting Fees ²	Total
Executive Directors						
Mr. Gautam Chatterjee	2,75,97,480	61,39,698	21,67,850	98,66,640	-	4,57,71,668
Mr. Asish Kumar Mukherjee	1,51,32,780	35,35,754	16,43,964	56,82,040	-	2,59,94,538
Mr. Subir Chakraborty	1,13,92,875	26,72,428	16,34,561	42,84,500	-	1,99,84,364
Mr. Arun Mittal	94,07,754	21,52,436	12,23,903	34,48,500	-	1,62,32,593
Non-executive Directors						
Mr. Rajan B Raheja	-	-	-	-	2,25,000	2,25,000
Mr. Vijay Aggarwal ³	-	-	-	-	2,50,000	2,50,000
Ms. Mona N Desai	-	-	-	15,00,000	6,75,000	21,75,000
Mr. Sudhir Chand	-	-	-	15,00,000	6,75,000	21,75,000
Mr. Bharat Dhirajlal Shah	-	-	-	40,00,000	3,75,000	43,75,000
Mr. Nawshir H Mirza	-	-	-	40,00,000	6,75,000	46,75,000
Mr. Surin Shailesh Kapadia	-	-	-	15,00,000	6,75,000	21,75,000

1. The Commission for the year ended 31st March 2020 will be paid, subject to deduction of tax, after adoption of accounts by the Members at the ensuing Annual General Meeting.

2. The sitting fee paid to the Non-executive Directors is towards attending the Board and Audit Committee meetings held during the year.

3. Ceased to be director upon completion of tenure on 3rd August 2019

Notes:

All the Executive Directors of the Company have been appointed on a contractual basis. According to the contract, the notice period is three months.

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

Non-Executive/Independent Directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. Non-executive Independent

Directors may also be paid commission as approved by the Shareholders subject to a limit of 1 per cent of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. The Commission payable to the Independent Directors is determined by the Board upon the recommendation of Nomination & Remuneration Committee within the aforesaid limit of 1 per cent of the net profits after taking into account their attendance roles and responsibilities in various Committees of the Board, their operational and functional expertise and contribution made by them.

Following the approval of the Shareholders in the Annual General Meeting held on 3rd August 2019, the payment of commission to Non-executive Directors has been determined by the Board, which is well within the ceiling of 1 per cent of net profits of the Company for the year ended 31st March 2020 as computed under applicable provisions of the Companies Act, 2013. The allocation of the Commission amongst the eligible Non-executive Independent Directors has been decided by the Board with each interested director present not participating in the deliberations in respect of his/her own commission.

The performance criteria for the payment of remuneration to the Directors are in line with the Nomination and Remuneration Policy of the Company.

Board Membership Criteria and list of core skills / expertise / competencies identified in the context of the business:

In terms of requirement of SEBI Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

Definitions of director's qualifications	
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, driving change and long-term growth
General management/ Governance	Strategic thinking, decision making and protect the interest of all stakeholders
Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global market opportunities. Experience in leading businesses in different geographies/markets around the world.
Financial, Regulatory/ Legal & Risk Management	Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
Technology	Strong technological background resulting in continuous improvement, knowledge of how to anticipate technological trends, adapt to the market developments, generate disruptive innovation and create new business models.
Industry knowledge and experience	Experience in Manufacturing, Quality, Safety, Project Management and knowledge of Corporate Research and Development pertaining to automotive/industrial battery and allied industries.
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

	Leadership	General management/ Governance	Global business	Financial, Regulatory / Legal & Risk Management	Technology	Industry knowledge and experience	Sales and marketing
Mr. Bharat Dhirajlal Shah	✓	✓	✓	✓			
Mr. Rajan B Raheja	✓	✓	✓	✓		✓	✓
Mr. Gautam Chatterjee	✓	✓	✓	✓	✓	✓	✓

Shareholding of Non-executive Directors

Name of Director	No. of shares held as on 31st March 2020
Ms. Mona N Desai	78,666
Mr. Sudhir Chand	18,872
Mr. Nawshir H Mirza	437

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

	Leadership	General management/ Governance	Global business	Financial, Regulatory / Legal & Risk Management	Technology	Industry knowledge and experience	Sales and marketing
Mr. Asish Kumar Mukherjee	✓	✓	✓	✓	✓	✓	
Mr. Subir Chakraborty	✓	✓	✓	✓	✓	✓	✓
Mr. Arun Mittal	✓	✓	✓	✓	✓	✓	✓
Ms. Mona N Desai	✓	✓	✓	✓			
Mr. Sudhir Chand	✓	✓	✓	✓	✓	✓	✓
Mr. Nawshir H Mirza	✓	✓	✓	✓			
Mr. Surin Shailesh Kapadia	✓	✓	✓	✓			

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee is responsible for -

1. Formulating the CSR policy and proposing revisions as and when required subject to the approval of the Board of Directors;
2. Proposing budget allocation for the CSR activities, subject to the approval of the Board of Directors;
3. Identifying modalities of implementing the CSR activities;
4. Formulation of an effective monitoring system;
5. Monitoring the progress of the CSR programmes regularly;
6. Review the impact assessment; and
7. Annually report to the Board, the status of CSR activities and contributions made.

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

Composition & Attendance

The Corporate Social Responsibility Committee comprises of four (4) members with Mr. Bharat D Shah, Non-executive Independent Director acting as Chairman.

Four (4) meetings of the CSR Committee were held on 30th April 2019, 2nd August 2019, 6th November 2019 and 4th February 2020 respectively. The composition and attendance details of the Committee are given below:

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

D. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has five (5) members with Mr. Surin Shailesh Kapadia, Non-executive Independent Director acting as Chairman. Two (2) meetings of the Committee were held during the year on 30th September 2019 and 19th March 2020. The composition and attendance details of the Committee are given below:

Name of Director	Category	Designation	Number of meetings attended
Mr. Surin Shailesh Kapadia	Independent Non-executive	Chairman	2
Mr. Gautam Chatterjee	Executive	Member	2
Mr. Subir Chakraborty	Executive	Member	2
Mr. Asish K Mukherjee	Executive	Member	2
Mr. Arun Mittal	Executive	Member	2

The broad area of terms of reference of the Committee, inter alia, includes the following:

- Identify risks and suggest measures to mitigate them;
- Monitoring and reviewing risk management plan;
- Evaluation & mitigation of cyber-security related risks; and
- To deal with such matters as may be referred to by the Board of Directors from time to time

E. STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference of the Stakeholders Relationship Committee includes, inter alia, the following:

- Resolving grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
- Review of measures taken for the effective exercise of voting rights by shareholders;
- Review of adherence to service standards adopted by the Company in respect of various services being rendered by R&TA;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

Composition and Attendance

The Stakeholders Relationship Committee of the Company has three (3) Directors. Mr. Sudhir Chand, Non-executive Independent Director is the Chairman of the Stakeholders Relationship Committee. Mr. Jitendra Kumar, Company Secretary and Executive Vice President (Legal & Administration) is the Compliance Officer and acts as the Secretary to the Committee.

During the financial year 2019-20, the Committee met once, on 13th March 2020. The composition and attendance details of the Committee meeting are as follows:

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

The Chairman of the Committee was present at the Annual General Meeting of the Company held on 3rd August 2019.

Investor Grievance Redressal Mechanism

During the financial year ended 31st March 2020, a total number of 16 complaints were received from shareholders. Out of these, 14 complaints have been redressed to the satisfaction of the shareholders and 2 complaints were pending.

Number of complaints received and resolved during the year and pending share transfers as on 31st March 2020:

Number of complaints pending at the beginning of the financial year 2019-20	NIL
Number of complaints received during the financial year 2019-20	16
Number of complaints redressed during the financial year 2019-20	14
Number of complaints pending redressal at the end of the financial year 2019-20	2*
Number of pending share transfers as at 31st March 2020	NIL

*These complaints relate to non-receipt of 2nd interim dividend declared by the Company during the FY 2019-20. The dividends remitted to the respective shareholders through electronic means were rejected and the physical Demand Drafts prepared by Bank could not be dispatched to the shareholders due to the nationwide lockdown announced by the Government of India and consequential suspension of postal services in the country.

F. SHARE TRANSFER COMMITTEE

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

Composition and Attendance

During the financial year ended 31st March 2020, six (6) meetings of Share Transfer Committee were held on 29th July 2019, 9th September 2019, 12th December 2019, 17th December 2019, 23rd December 2019 and 6th March 2020 respectively. The composition and attendance details of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Gautam Chatterjee	Executive	Chairman	6
Mr. Asish Kumar Mukherjee	Executive	Member	6
Mr. Subir Chakraborty	Executive	Member	6

All routine matters including, inter alia, formalities pertaining to transfer, transmission, etc. within specified threshold limits as delegated by the Board are being dealt by “Share Transfer Committee of Executives” comprising of a representative from the Registrar & Share Transfer Agent, the Compliance Officer and an Officer from the Secretarial team which meets at least once in a fortnight.

G. BANKING OPERATIONS COMMITTEE

The Banking Operations Committee has been constituted to approve opening and closing of bank accounts, change in signatories and carrying on other routine banking operations. The Committee presently comprises of three (3) Executive Directors, viz. Mr. Gautam Chatterjee, Mr. Asish Kumar Mukherjee and Mr. Subir Chakraborty.

H. EXECUTIVE COMMITTEE

The Executive Committee comprises of the Executive Directors, Key Management Personnel and Senior Management Personnel viz. Mr. Gautam Chatterjee, Mr. Asish Kumar Mukherjee, Mr. Subir Chakraborty, Mr. Arun Mittal, Mr. Jitendra Kumar, Mr. Arnab Saha, Mr. Ranjan Sarkar, Dr. Dipak Sen Choudhury, Ms. Nupur Roy Choudhury and Mr. Avik Roy.

The Committee focuses on the strategic management issues of the Company, subject to the overall supervision of the Board of Directors. The Committee reports to the Board and the minutes of these meetings are placed before the Board.

I. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met once on 4th February 2020 inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the management and the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the said meeting.

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
70th	31.03.2017	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	27.07.2017	11.30 AM
71st	31.03.2018	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	02.08.2018	10.30 AM
72nd	31.03.2019	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	03.08.2019	10.00 AM

SPECIAL RESOLUTIONS

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

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act
27th July 2017	-	-
2nd August 2018	-	-
3rd August 2019	i. Re-appointment of Ms. Mona N Desai (DIN: 03065966), as an Independent Director of the Company for a second term	Section 149
	ii. Re-appointment of Mr. Sudhir Chand (DIN: 01385201), as an Independent Director of the Company for a second term	Section 149
	iii. Re-appointment of Mr. Gautam Chatterjee (DIN: 00012306) as Managing Director and Chief Executive Officer	Section 196 & 197
	iv. Approval u/s 180(1)(a) of the Companies Act, 2013	Section 180(1)(a)

POSTAL BALLOT

Details of Special Resolution(s) passed through Postal Ballot during the Financial Year 2019-20

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

During the year under review, approval of shareholders of the Company was sought through Postal Ballot and details of the same are given below:

Date of Postal Ballot Notice	: 4th February 2020
Voting period	: 25th February 2020 to 25th March 2020
Date of declaration of result	: 26th March 2020
Date of passing of resolution(s)	: 25th March 2020

A summary of the voting pattern is as follows:

Resolution	Votes cast in favor (in %)	Votes cast against (in %)
Special resolution for re-appointment of Mr. Bharat Dhirajlal Shah as an Independent Director of the Company to hold office for a second term from 30th April 2020 to 29th April 2025	99.14%	0.86%
Ordinary resolution for re-appointment of Mr. Asish Kumar Mukherjee as Whole-time director designated as Director-Finance & CFO from 1st May 2020 to 30th April 2025	99.54%	0.46%

Mr. A. K. Labh, Practising Company Secretary (FCS-4848/ CP-3238) of A K Labh & Co., Company Secretaries, was appointed as Scrutiniser to scrutinise the Postal Ballot (including Remote E-voting) process in a fair and transparent manner.

Procedure for Postal Ballot:

In accordance with Sections 108 and 110 of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations, the Company had provided remote e-voting facility for voting electronically on the Resolutions set out in the Postal Ballot Notice. The Company had engaged National Securities Depository Limited (NSDL) to provide remote e-voting facility to its Members. The Members had an option to vote either by postal ballot or through remote e-voting.

The Company dispatched the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the Register of Members/ list of beneficiaries as on 4th February 2020. The postal ballot notice was sent to members in electronic form to the email addresses registered with the Company/ Depository Participants. Newspaper advertisement containing the requisite particulars as required under Rule 22 of Companies (Management and Administration) Rules 2014 and Secretarial Standards issued by Institute of Company Secretaries of India was published in Business Standard (English) and Aajkaal (Bengali) on 25th February 2020.

Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the

shareholders as on the cut-off date, i.e., 4th February 2020. Members were requested to return the Postal Ballot Form duly completed and signed with their Assent (For) or Dissent (Against) in postage pre-paid self-addressed Business Reply Envelope so as to reach the Scrutiniser not later than 5.00 P.M (IST) on Wednesday, 25th March 2020. In case of remote e-voting, Members were requested to cast their votes electronically upto 5.00 PM on Wednesday, 25th March 2020.

The Scrutiniser submitted his report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by Company Secretary, being the person authorised to declare the results of the Postal Ballot. The results were displayed on the website of the Company (www.exideindustries.com), besides being communicated to the Stock Exchanges and e-voting website of NSDL.

DISCLOSURES

a. Related Party Transactions

All transactions entered into with the related parties during the financial year ended 31st March 2020 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

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

as prescribed under the applicable Accounting Standard have been made in the notes to the Financial Statements.

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

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

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

- c. **Whistle Blower Policy/Vigil Mechanism**

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

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

- d. **Policy on Material Subsidiaries**

In accordance with the requirements of Regulation 16(1)(c) of SEBI Listing Regulations the Company has a policy on material subsidiaries. The policy on material subsidiaries have been uploaded on the Company's website under the following web-link <http://www.exideindustries.com/investors/governance-policies.aspx>

- e. **Dividend Distribution Policy**

In accordance with Regulation 43A of SEBI Regulations, 2015, the Company has framed the Dividend Distribution Policy approved by the Board of Directors of the Company. The Dividend Distribution Policy of the Company endeavors to maintain a consistent approach towards dividend payment to its

shareholders and regulate the process of dividend declaration and its payout by the Company in line with the laws in force. The Policy, inter alia, covers the financial parameters that will be considered when declaring dividends, internal and external factors that would be considered for declaring dividends and the circumstances under which shareholders can or cannot expect dividend. The Policy has been uploaded on the Company's website. The web-link is <http://www.exideindustries.com/investors/governance-policies.aspx>

- f. As required under the provisions of the law, all other policies and disclosures are uploaded on the website of the Company at <http://www.exideindustries.com/investors/governance-policies.aspx>. Investors are encouraged to visit the website of the Company to access such documents.

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

- h. **Disclosure of commodity price risk and commodity hedging activities**

Lead and lead alloys are the primary materials consumed in the manufacture of batteries representing more than 70 per cent of total material consumption by value.

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

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

About 30 per cent of the Company's business with OEMs as well as institutional customers have a "Lead price variation clause" (Lead price denominated pricing). Hence, this portion of the business is protected from lead price volatility. Balance 70 per cent of the Company's business to retail customers

are exposed to lead price volatility as prices are determined by market forces. However, increasing usage of recycled lead, replacing consumption of pure lead, which is cheaper than pure lead and not directly exposed to LME price movement, to some extent reduces the risk of lead price volatility.

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

While exposure to currency fluctuation on lead and lead alloys cost is to some extent mitigated as stated above, exposure on account of other imports remains. However, exports, which constitute about 7 per cent of the Company's business, act as an automatic hedge against risks resulting from currency fluctuation.

As a policy, the Company does not enter commodity hedging. Accordingly, as on the date of reporting, there was no open position held by the Company on commodity futures or options. Same principle applies in case of currency also. Very few "forward covers" are taken, at times, against import liabilities, when the situation warrants. As at end of March 2020 there was no "forward cover contract" which remained open, for foreign currency liability.

i. **Certificate from Practising Company Secretary**

Certificate as required under Part C of Schedule V of SEBI Listing Regulations, received from Sushil Tiwari & Associates (ACS-6199/CP-1903), Company Secretary, in practice certifying that none of the directors on the Board of the Company is debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed at the end of this Report.

j. **Total fees paid to Statutory Auditors of the Company**

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part – Rs. 2,19,99,413/-

k. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The status of the complaints filed, disposed and pending during the financial year ended 31st March 2020 is given below:

No. of complaints filed during the year 2019-20	1
No. of complaints disposed during the year 2019-20	Nil
No. of complaints pending during the year 2019-20	1*

*The complaint was received in March 2020 and was under investigation by the Internal Complaints Committee at the end of the financial year. The investigation has since been completed and necessary action has been taken by the Company as on the date of this report.

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

MEANS OF COMMUNICATION

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

The Telegraph
The Mint
Ananda Bazar Patrika

- B. The Company's website at www.exideindustries.com is regularly updated with financial results.
- C. Whether MD&A is a part of Annual Report: Yes
- D. Whether Official News Releases and Presentations made to Institutional Investors/Analysts are posted on the web-site of the Company: Yes

GENERAL SHAREHOLDER INFORMATION

- The 73rd Annual General Meeting is proposed to be held for the financial year: 1st April 2019 to 31st March 2020.
- The Company has furnished information, as required under Regulation 36 of SEBI Listing Regulations, relating to the re-appointment of retiring director. Shareholders may kindly refer to the Notice convening the 73rd Annual General Meeting of the Company. The name of other companies in which the directors re-appointed holds directorship and the membership of committees of the board are also given in the annexure to the Notice convening the 73rd Annual General Meeting.

3. Annual General Meeting for the financial year 2019-20

Date: 15th September 2020 (Tuesday)

Venue: The Company is conducting meeting through VC/ OAVM pursuant to MCA circular dated 5th May 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of the AGM.

Time: 2.30 P.M.

4. Tentative financial calendar for 2020-21

First Quarterly Results	On or before 14th August 2020
Second Quarterly/Half Yearly Results	On or before 14th November 2020
Third Quarterly Results	On or before 14th February 2021
Annual Results for the year ending on 31st March 2021	On or before 30th May 2021
Annual General Meeting for the year ending on 31st March 2021	August 2021

5. Dividend Payment Date

Pursuant to the approval of the Board of Directors on 6th November 2019 and 24th February 2020, the Company paid 1st and 2nd interim dividend at the rate of 160 per cent, i.e. @ Rs. 1.60 per equity share and at the rate of 250 per cent i.e. @ Rs. 2.50 per equity share of Re. 1/- each respectively, to the shareholders whose names appeared in the Register of Members on 19th November 2019 and 5th March 2020 respectively, being the record date fixed for this purpose. The Board did not recommend a final dividend and therefore total dividend for the year ended 31st March 2020 will be Rs. 4.10 (i.e. 410 per cent) per equity share of Re. 1/- each.

Unclaimed Dividend

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

Details of Unclaimed Dividend as on 31.03.2020

Year	Type	Account No	Date of Declaration	Due Date for transfer to IEPF
2013	Final	704862	16-Jul-13	21-Aug-20
2014	Interim	33105176380	23-Oct-13	29-Nov-20
2014	Final	50200006512872	22-Jul-14	28-Aug-21
2015	Interim	704922	21-Jul-14	21-Aug-21
2015	Final	50200013542151	31-Jul-15	06-Sept-22
2016	Interim	50200015464528	28-Oct-15	04-Dec-22
2016	Final	50200020247750	19-Jul-16	25-Aug-23
2017	Interim	705017	26-Oct-16	02-Dec-23
2017	Final	50200025616737	27-Jul-17	01-Sept-24
2018	Interim	50200027732367	25-Oct-17	30-Nov-24
2018	Final	50200032462904	02-Aug-18	07-Sept-25
2019	Interim	50200034736340	05-Nov-18	11-Dec-25
2019	Final	50200042368438	03-Aug-19	08-Sept-26
2020	1st Interim	50200045484761	06-Nov-19	12-Dec-26
2020	2nd Interim	50200048231700	24-Feb-20	31-Mar-27

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March 2019 on the Company's website <http://www.exideindustries.com/investors/unclaimed-dividends.aspx> and on the website of Ministry of Corporate Affairs.

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

During the year, pursuant to section 124 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 Rs. 89,77,492 and 2,75,847 equity shares were transferred to the Investor

Education and Protection Fund in respect of which dividend had remained unclaimed/unpaid for a consecutive period of seven years. The process of claiming unpaid/unclaimed dividend and/or shares transferred by the Company to IEPF is provided in the notes to the Notice of 73rd Annual General Meeting of the Company and is also available at [http://](http://www.exideindustries.com/investors/unclaimed-dividends.aspx)

www.exideindustries.com/investors/unclaimed-dividends.aspx

The Nodal officer of the Company for IEPF refund is Mr. Jitendra Kumar, whose email id is cosec@exide.co.in and details of same is also available on the website of the Company.

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

ISIN: INE302A01020

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

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

The listing fees for the Financial Year 2020-21 has been paid to the above Stock Exchanges.

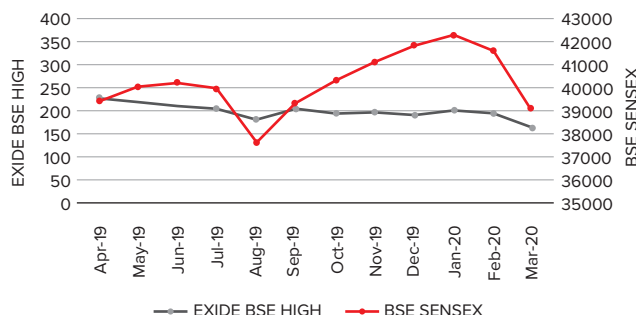
7. Stock Market price date for the year on BSE, NSE & CSE

Month	BSE(#)		NSE(#)		CSE*	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2019	229.60	209.05	229.50	209.00	*	*
May 2019	222.50	203.60	222.70	203.15	*	*
June 2019	217.75	195.80	217.90	195.95	*	*
July 2019	209.90	178.20	209.90	178.10	*	*
August 2019	185.90	168.00	185.80	168.30	*	*
September 2019	208.80	166.00	208.75	166.00	*	*
October 2019	199.50	170.70	199.55	170.60	*	*
November 2019	200.60	184.15	200.70	184.10	*	*
December 2019	197.60	176.00	197.70	176.00	*	*
January 2020	208.10	179.50	208.25	179.15	*	*
February 2020	201.50	161.40	201.50	161.20	*	*
March 2020	168.00	121.90	168.00	124.70	*	*

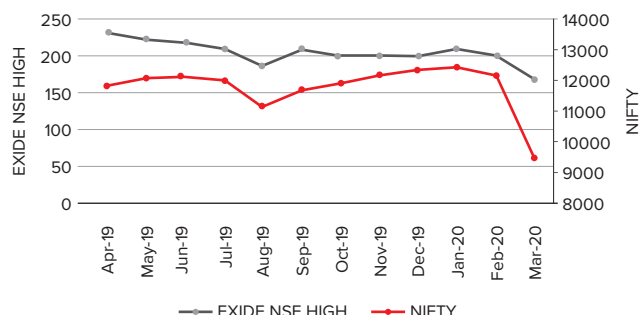
(#) Source BSE and NSE web-site

* No trading on the exchange

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



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



9. Registrar and Transfer Agent

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

10. Share Transfer System

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

Share Transfer Forms (SH-4) for shares held in physical mode which are received by the Company are promptly processed and share certificate duly

endorsed are issued within 30 days of the date of lodgment subject to documents being valid and complete in all respects. The Company obtains from a Company Secretary in practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI Listing Regulations and files a copy of the said certificate with stock exchanges.

In terms of amendments to Regulation 40 of SEBI Listing Regulations amended vide notification dated 8th June 2018 and in line with Circular No. SEBI/ LADNRO/GN/2018/24 dated 8th June 2018 & Press Note No. PR No. 12/2019 dated 27th March 2019 issued by Securities and Exchange Board of India, transfer of securities in physical form shall not be processed unless the securities are held in the dematerialised form with a depository other than transfer of documents re-lodged for registration to remove the deficiencies raised prior to 1st April 2019.

Shareholder has the option of holding shares in physical form even after 1st April 2019. However, any shareholder who is desirous of transferring shares (which are held in physical form) after 1st April 2019 can do so only after the shares are dematerialised. In view of the above and the inherent benefits of holding shares in electronic form, the shareholders holding shares in physical form are advised to opt for dematerialisation at the earliest.

11. Nomination Facility

Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital & Debentures) Rules, 2014, nomination facility is available to the shareholders. This facility is mainly

useful for shareholders holding the shares in single name. In cases where the shares are held in joint names, the nomination will be effective only in the event of death of all the joint holders.

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

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

12. Share Transfer Record

Month	No. of Transfer	No. of shares processed
April 2019	19	14,486
May 2019	1	3,160
June 2019	NIL	NIL
July 2019	NIL	NIL
August 2019	1	1
September 2019	NIL	NIL
October 2019	NIL	NIL
November 2019	NIL	NIL
December 2019	NIL	NIL
January 2020	NIL	NIL
February 2020	NIL	NIL
March 2020	NIL	NIL

13. Distribution of Shareholding as on 31st March 2020

Range	Shares		Shareholders	
	No. of shares of face value Re.1/- each	% of total shares	Total no. of holders	% of Total holders
1-5000	1,57,86,419	1.86	1,73,087	88.50
5001-10000	73,08,433	0.86	9,855	5.04
10001-20000	71,59,751	0.84	4,890	2.50
20001-30000	55,11,213	0.65	2,211	1.13
30001-40000	41,08,713	0.48	1,159	0.59
40001-50000	44,50,765	0.52	983	0.50
50001-100000	1,25,55,482	1.48	1,780	0.91
100001 & above	79,31,19,224	93.31	1,609	0.83
TOTAL	85,00,00,000	100.00	1,95,574	100.00

14. Shareholding pattern of the Company as on 31st March 2020:

Category	No. of shares	% of total issued shares
Promoter Holding	39,09,54,666	45.99
Foreign Portfolio Investors	7,99,43,322	9.41
Non-Resident Individual	43,69,888	0.52
Mutual Funds	13,82,95,798	16.27
Financial Institutions, Insurance Companies & Banks	5,47,75,055	6.44
Public	10,43,39,441	12.27
Bodies Corporate	7,27,42,487	8.56
Directors & their relatives	5,18,631	0.06
Investor Education and Protection Fund	40,60,712	0.48
Total	85,00,00,000	100.00

15. Dematerialisation of Shares and Liquidity

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

As on 31st March 2020, 98.98 per cent of the Company's total shares representing 84,12,85,008 shares are held in dematerialised form and 1.02 per cent representing 87,14,992 shares are in physical form.

Category	Number		% of total issued shares
	Shareholders	Shares	
Demat Mode			
NSDL	1,00,738	81,05,41,541	95.36
CDSL	91,125	3,07,43,467	3.62
Total	1,91,863	84,12,85,008	98.98
Physical Mode	3,711	87,14,992	1.02
Grand Total	1,95,574	85,00,00,000	100.00

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

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

17. Cost Audit

Name of the Cost Auditor: Mani & Co.
Cost Accountants
Ashoka
111, Southern Avenue
Kolkata 700029
Regn No.: 000004

Actual date of filing the
Cost Audit Report
for 2018-19 : 23rd August 2019

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

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

19. Plant Locations

State	Address
West Bengal	91 New Chord Road, Authpur, Shamnagar, 24 Parganas (N)- 743 128 Durgachak, Haldia, Dist Midnapore, 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 Plot No. T-17 MIDC Talaja Industrial Area, Talaja- 410 208 E-5, MIDC, Nagpur Taluka, Ahmednagar - 414 111
Tamil Nadu	Chichurakanapalli, Sevaganapalli Panchayat, Hosur Taluk, Dist Krishnagiri - 635 103
Uttarakhand	Khasra No. - 275, Lakeshwari Industrial Area, Bhagwanpur, Roorkee, Dist-Haridwar – 247 661 Plot No. 31, Sector 8A, Integrated Industrial Estate, Ranipur, Haridwar – 249 403

20. Address for Correspondence

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

All Shareholders' correspondence should be addressed to:

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

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

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

Contact Person:
Mr. Subhabrata Biswas
Associate Vice President
Tel No.: [033] 4011 6700//40116725/40116729/
40116742
Fax No.: [033] 4011 6739
Email: rta@cbmsl.com

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

21. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad.

Facilities/Instruments	Credit rating by ICRA
Short term debt instrument (Commercial paper)	ICRA A1+
Long term banking facility (Fund based and Non fund based facility)	ICRA AAA

There has been no revision in ratings as compared to last year.

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

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

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

On behalf of the Board of Directors

Sd/-

Bharat D Shah

Chairman

DIN: 00136969

Place: London

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Place: Kolkata

Date: 5th June 2020

Independent Auditor's Certificate on Compliance with Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
the Members of
Exide Industries Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 05 August 2019.
2. This report contains details of compliance of conditions of Corporate Governance by Exide Industries Limited ('the Company'), for the year ended 31 March 2020, as stipulated in regulations 17-27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is also responsible for ensuring that the Company complies with the requirements as stipulated in Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes [Revised 2016] ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner

Membership Number: 055757
UDIN: 20055757AAAABH7165

Place: Kolkata
Date: 5th June 2020

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

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

We, Gautam Chatterjee, Managing Director & CEO and Asish Kumar Mukherjee, Director-Finance & CFO of Exide Industries Limited certify to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that we have reviewed the financial statement and cash flow statement of the Company for the financial year ended 31st March 2020.

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

Place: Kolkata
Date: 30th May 2020

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

Sd/-
Asish Kumar Mukherjee
Director-Finance & CFO
DIN: 00131626

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

DECLARATION

As required under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and Senior Management Personnel of the Company have complied with Code of Conduct of the Company for the year ended 31st March 2020.

Place: Kolkata
Date: 30th May 2020

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
EXIDE INDUSTRIES LTD.
59E, Chowringhee Road
Kolkata – 700 020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of EXIDE INDUSTRIES LTD. having CIN L31402WB1947PLC014919 and having registered office at 59E, Chowringhee Road, Kolkata – 700 020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2020 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities & Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1	Mr. Gautam Chatterjee	00012306	22/07/1996
2	Mr. Bharat Dhirajlal Shah	00136969	30/04/2015
3	Mr. Rajan Beharilal Raheja	00037480	12/12/1991
4	Mr. Nawshir Hoshang Mirza	00044816	28/10/2015
5	Mr. Subir Chakraborty	00130864	01/05/2013
6	Mr. Asish Kumar Mukherjee	00131626	20/04/2007
7	Mr. Arun Mittal	00412767	01/05/2016
8	Mr. Surin Shailesh Kapadia	00770828	25/10/2017
9	Mr. Sudhir Chand	01385201	19/10/2012
10	Ms. Mona Ninad Desai	03065966	28/04/2010

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sushil Tiwari & Associates
Company Secretaries

Sd/-
Sushil Tiwari
Proprietor

Date: 4th May 2020

UDIN No.: A006199B000199491

ANNEXURE - IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

Weblink:
<http://www.exideindustries.com/investors/governance-policies.aspx>
- 2. Composition of the CSR Committee:**
Mr. Bharat D Shah (Chairman)
Mr. Sudhir Chand (Member)
Mr. Gautam Chatterjee (Member)
Mr. Subir Chakraborty (Member)
- 3. Average net profit of the Company for last three financial years:**
Average net profit: Rs. 1,02,428 Lakhs
- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**
Rs. 2,049.00 Lakhs
- 5. Details of CSR spend for the financial year:**
 - a. Total amount spent for the financial year:**
Rs. 2,076.00 Lakhs
 - b. Amount unspent, if any:**
None

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

(Rs. In Lakhs)

SL.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects and programme was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
1	Promoting health care including preventive health care, sanitation & eradicating hunger, poverty and malnutrition	Clause i	Maharashtra - Mumbai, Raigarh, Ahmednagar; Gujarat - Ahmedabad; Haryana - Rewari; West Bengal - Kolkata	866.60	908.76	908.76	Diabetics Association of India, Society for the Rehabilitation of Paraplegics, Marrow Donor Registry (India), Tata Medical Centre, Saroj Gupta Cancer Centre & Research Institute, VAANI – Deaf Children's Foundation, Indian Cancer Society, YUVA Unstoppable, Satkarma Foundation, The Art of Living Foundation - Project UDAAN
2	Sanitation	Clause i	West Bengal - South 24 Parganas	6.00	6.00	6.00	Ramkrishna Mission Math
3	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care; promoting education especially among children; setting up homes for orphans and measures for reducing inequalities faced by socially and economically backward groups and including special education especially among the differently abled	Clause i, ii, iii	Maharashtra - Mumbai, Pune; West Bengal - Kolkata	81.98	71.74	71.74	Child Reach, India Sponsorship Committee & Cheshire Homes India-Kolkata unit

(Rs. In Lakhs)

SL.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects and programme was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
4	Promoting education especially among children, sanitation and making available safe drinking water, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, setting up homes for orphans and measures for reducing inequalities faced by socially and economically backward groups	Clause i, ii, iii	Maharashtra - Mumbai, Ahmednagar; West Bengal - Kolkata, 24 Parganas (North & South); Uttarakhand - Haridwar & Roorkee; Tamil Nadu - Krishnagiri	466.54	466.22	466.22	Haltu Arya Balika Vidyalaya, Loreto House Educational Society of Calcutta, Loreto Convent School Entally, St. Xavier College Kolkata Educational Trust, The Art of Living Foundation - Project UDAAN, Child in Need Institute (CINI), Kalki Tejomaya Social Welfare Trust, Parivaar Education Society, Young Men's Welfare Society, YUVA Unstoppable, Shri Hari Balika Vidyalaya
5	Women Empowerment through promoting education including special education and employment enhancing vocation skills	Clause ii, iii	West Bengal - Kolkata; Maharashtra - Raigarh	78.95	66.45	66.45	CII Foundation, Sukriti Welfare Association for Women Entrepreneurs, South Gurukul Society, Child in Need Institute (CINI), Udayan Care, Swanirvar, The Bengal Chamber of Commerce & Industry & Satkarma Foundation
6	Promoting education including special education and employment enhancing vocation skills; women Empowerment; enduring environmental sustainability, ecological balance, protection of flora and fauna, animal, welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water	Clause ii, iii, iv	Tamil Nadu - Krishnagiri; West Bengal - Bardhaman	45.00	45.00	45.00	The People's Society of Hosur, Centre for Environmental Management and Participatory Development
7	Impact Assessment of CSR projects on sanitation and making available safe drinking water; promoting health care including preventive health care; promoting education especially among children and the differently abled; setting up homes for orphans and measures for reducing inequalities faced by socially and economically backward groups including vocation skills especially among children & women; women empowerment; enduring environmental sustainability and conservation of natural resources, ecological balance,	Clause i, ii, iii, iv, vii	Haryana - Rewari; Maharashtra - Raigarh, Ahmednagar, Pune, Mumbai & Nagpur; Tamil Nadu - Krishnagiri; Karnataka - Kolar; West Bengal - Kolkata, South 24 Parganas, Purba Medinipur, Kolkata, North 24 Parganas; Uttarakhand - Haridwar & Roorkee	11.80	11.80	11.80	Direct

(Rs. In Lakhs)

SL.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects and programme was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
	protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water, training to promote rural sport, nationally recognised sports						
8	Promoting health care including preventive health care, sanitation & eradicating hunger, poverty and malnutrition	Clause i	Haryana - Rewari; Maharashtra - Raigarh, Ahmednagar, Pune; Tamil Nadu - Krishnagiri; West Bengal - Kolkata, North 24 Parganas, Purba Medinipur, Uttarakhand - Haridwar & Roorkee	291.36	299.74	299.74	Direct
9	Promoting education especially among children, sanitation and making available safe drinking water & training to promote rural sport, nationally recognised sports	Clause i, ii, vii	Maharashtra -Raigarh, Ahmednagar, Pune; West Bengal - Purba Medinipur; Uttarakhand - Haridwar & Roorkee	73.93	73.50	73.50	Direct
10	Women Empowerment including promoting health care including preventive health care; promoting education including special education and employment enhancing vocation skills	Clause i, ii, iii	Haryana - Rewari; Maharashtra -Pune	11.95	11.50	11.50	Direct
11	Enduring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water	Clause iv	Haryana - Rewari; Maharashtra -Raigarh, Tamil Nadu - Krishnagiri; Karnataka - Kolar; West Bengal - Kolkata, North 24 Parganas	114.89	115.29	115.29	Direct
TOTAL				2,049.00	2,076.00	2,076.00	

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

7. Responsibility Statement

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

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

Sd/-

Bharat D Shah

Chairman of the CSR Committee

DIN: 00136969

Place : London

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Place: Kolkata

Date: 5th June 2020

Extracts of the CSR POLICY

(Approved by the Board of Directors on 24th February 2015)

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

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

To pursue these objectives we will continue to:

- i Increasingly contribute to activities that are beneficial to the society and community at large.
- ii Chart out a mechanism for undertaking CSR activities.
- iii Engage with the Company's key stakeholders in matters related to CSR activities.
- iv Align the CSR activities undertaken by the Company with the applicable laws

ANNEXURE - V

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2020

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	: L31402WB1947PLC014919
ii)	Registration Date	: 31st January 1947
iii)	Name of the Company	: Exide Industries Limited
iv)	Category/Sub-Category of the Company	: Public Company Limited by Shares
v)	Address of the Registered office and contact details	: Exide Industries Limited, Exide House, 59 E Chowringhee Road, Kolkata 700020 Phone no. (033) 2302 3400 Fax: (033) 22832642/37 Email: exideindustrieslimited@exide.co.in Website: www.exideindustries.com
vi)	Whether listed company Yes/No	: Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	: C B Management Services (P) Ltd P-22, Bondel Road, Kolkata 700019, West Bengal , India Ph: +913340116700/6729 Fax: +913340116739 email: rta@cbmsl.com, Website: www.cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 per cent or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% total turnover of the Company
1	Storage Battery	31401	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiaries/ Associate	% of shares held	Applicable Section
5	Exide Leclanche Energy Private Limited Plot No. 10/1, Kamalpur, NH No.8, Prantij, District: Sabarkantha, Gujarat, India, 383205	U74999GJ2018PTC104468	Subsidiary	74.99%	Section 2(87)(ii)
6	Chloride Batteries S.E Asia Pte. Limited 106 Neythal Road Singapore 628594	Not Applicable	Subsidiary	100%	Section 2(87)(ii)
7	Associated Battery Manufactures (Ceylon) Limited 481, T .B Jayah Mawatha Colombo 10	Not Applicable	Subsidiary	61.50%	Section 2(87)(ii)
8	Espex Batteries Limited Fairway House, Link Business Park, Street Mellons, Cardiff, South Glamorgam CF3 0LT	Not Applicable	Subsidiary	100%	Section 2(87)(ii)
9	CSE Solar Sunpark Maharashtra Private Limited Flat 401/ 4th flr Shree Guru Harikrishna Bhavan Charat Singh colony, A.K. Road, Mumbai, MH 400093 IN	U40106MH2018PTC316403	Associate	27.20%	Section 2(6)
10	CSE Solar Sunpark Tamil Nadu Private Limited Flat 401/ 4th flr Shree Guru Harikrishna Bhavan Charat Singh colony, A.K. Road, Andheri East, Mumbai Mumbai City MH 400093 IN	U40106MH2018PTC315868	Associate	27.20%	Section 2(6)
11	Greenyana Solar Private Limited Unit No. 903, 9th Floor, Eros Corporate Tower Nehru Place New Delhi South Delhi DL 110019 IN	U74999DL2018PTC333141	Associate	27.20%	Section 2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Break Up as Percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the Year (As on 01.04.2019)				No. of Shares held at the end of the Year (As on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/ FI	-	-	-	-	-	-	-	-	-
(f) Any Other...	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)-	-	-	-	-	-	-	-	-	-
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	39,09,54,666	-	39,09,54,666	45.99	39,09,54,666	-	39,09,54,666	45.99	-
(d) Banks/ FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)-	39,09,54,666	-	39,09,54,666	45.99	39,09,54,666	-	39,09,54,666	45.99	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	39,09,54,666	-	39,09,54,666	45.99	39,09,54,666	-	39,09,54,666	45.99	-

Category of Shareholders	No. of Shares held at the beginning of the Year (As on 1st April 2019)				No. of Shares held at the end of the Year (As on 31st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public									
Shareholding(s)									
1. Institutions									
a) Mutual Funds	15,40,20,435	-	15,40,20,435	18.12	13,82,95,798	-	13,82,95,798	16.27	(1.85)
b) Banks/FI	15,05,677	3,59,503	18,65,180	0.22	6,99,738	3,17,680	10,17,418	0.12	(0.10)
c) Central Govt	21,653	-	21,653	0.00	-	-	-	0.00	0.00
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	4,01,91,687	-	4,01,91,687	4.73	5,37,57,637	-	5,37,57,637	6.32	1.60
g) FIs	2,00,368	-	2,00,368	0.02	-	-	-	0.00	(0.02)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)-	19,59,39,820	3,59,503	19,62,99,323	23.09	19,27,53,173	3,17,680	19,30,70,853	22.71	(0.38)
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	7,22,97,618	1,36,704	7,24,34,322	8.52	7,26,08,713	1,33,774	7,27,42,487	8.56	0.04
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	6,36,77,967	87,09,415	7,23,87,382	8.52	6,72,68,333	77,62,781	7,50,31,114	8.83	0.31
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	1,43,30,160	4,14,080	1,47,44,240	1.73	1,64,02,310	2,89,380	1,66,91,690	1.96	0.23
c) Others (specify)									
NRI	34,85,806	1,41,977	36,27,783	0.43	42,33,271	1,36,617	43,69,888	0.51	0.09
Clearing Member	23,32,691	-	23,32,691	0.27	12,10,543	-	12,10,543	0.14	(0.13)
OCB	-	-	-	-	-	-	-	-	-
Trust	25,25,919	-	25,25,919	0.30	53,17,193	-	53,17,193	0.63	0.33
Foreigh Portfolio Investor	8,43,73,648	-	8,43,73,648	9.93	7,99,43,322	-	7,99,43,322	9.41	(0.52)
Foreign National	3,485	75,000	78,485	0.01	4,453	74,760	79,213	0.01	0.00
Alternate Investment Fund	64,10,245	-	64,10,245	0.75	65,28,319	-	65,28,319	0.77	0.01
Custodian of enemy property	-	-	-	-	-	-	-	-	-
IEPF	38,31,296	-	38,31,296	0.45	40,60,712	-	40,60,712	0.48	0.03
Sub Total (B)(2)-	25,32,68,835	94,77,176	26,27,46,011	30.91	25,75,77,169	83,97,312	26,59,74,481	31.29	0.38
Total Public Shareholding (B) = (B)(1)+ (B) (2)	44,92,08,655	98,36,679	45,90,45,334	54.01	45,03,30,342	87,14,992	45,90,45,334	54.01	0.00
Total (A) + (B)	84,01,63,321	98,36,679	85,00,00,000	100.00	84,12,85,008	87,14,992	85,00,00,000	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	84,01,63,321	98,36,679	85,00,00,000	100.00	84,12,85,008	87,14,992	85,00,00,000	100.00	0.00

(ii) Shareholding of Promoters

Shareholding at the beginning of the year (As on 01.04.2019)					Shareholding at the end of the year (As on 31.03.2020)			
Sl No.	Shareholder's Name	No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	Shareholder's Name	No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares
1	Chloride Eastern Limited	39,09,54,666	45.99	NIL	Chloride Eastern Limited	39,09,54,666	45.99	NIL
	Total	39,09,54,666	45.99	NIL		39,09,54,666	45.99	NIL

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

Sl. No.		Shareholding at the beginning of the year (As on 01.04.2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Chloride Eastern Limited				
	At the beginning of the year	39,09,54,666	45.99	39,09,54,666	45.99
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	There was no increase / decrease in Promoter Shareholding during the year		-	-
	At the end of the year (31.03.2020)	39,09,54,666	45.99	39,09,54,666	45.99

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on 31st March 2020

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ICICI Prudential Value Discovery Fund**						
(a)	At the beginning of the year	1-Apr-2019	-	1,89,89,540	2.23	-	-
(b)	Changes during the year	19-Apr-2019	Sale	406	0.00	1,89,89,134	2.23
		26-Apr-2019	Buy	2,030	0.00	1,89,91,164	2.23
		3-May-2019	Buy	2,030	0.00	1,89,93,194	2.23
		10-May-2019	Buy	812	0.00	1,89,94,006	2.23
		17-May-2019	Buy	11,33,284	0.13	2,01,27,290	2.37
		24-May-2019	Sale	171	0.00	2,01,27,119	2.37
		31-May-2019	Buy	5,278	0.00	2,01,32,397	2.37
		7-Jun-2019	Buy	406	0.00	2,01,32,803	2.37
		14-Jun-2019	Buy	1,221	0.00	2,01,34,024	2.37
		21-Jun-2019	Buy	11,45,419	0.13	2,12,79,443	2.50
		28-Jun-2019	Buy	26,779	0.00	2,13,06,222	2.51
		5-Jul-2019	Buy	1,849	0.00	2,13,08,071	2.51
		12-Jul-2019	Buy	407	0.00	2,13,08,478	2.51
		19-Jul-2019	Buy	2,771	0.00	2,13,11,249	2.51
		26-Jul-2019	Buy	12,03,129	0.14	2,25,14,378	2.65
		2-Aug-2019	Buy	16,26,705	0.19	2,41,41,083	2.84

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		9-Sep-2019	Buy	12,16,800	0.14	2,53,57,883	2.98
		16-Aug-2019	Buy	7,845	0.00	2,53,65,728	2.98
		23-Aug-2019	Buy	8,409	0.00	2,53,74,137	2.99
		30-Aug-2019	Buy	1,15,046	0.01	2,54,89,183	3.00
		6-Sep-2019	Buy	12,000	0.00	2,55,01,183	3.00
		13-Sep-2019	Buy	409	0.00	2,55,01,592	3.00
		20-Sep-2019	Buy	1,59,100	0.02	2,56,60,692	3.02
		27-Sep-2019	Sale	233	0.00	2,56,60,459	3.02
		30-Sep-2019	Buy	2,233	0.00	2,56,62,692	3.02
		4-Oct-2019	Buy	24,633	0.00	2,56,87,325	3.02
		11-Oct-2019	Buy	12,83,328	0.15	2,69,70,653	3.17
		18-Oct-2019	Buy	15,22,612	0.18	2,84,93,265	3.35
		25-Oct-2019	Buy	13,35,994	0.16	2,98,29,259	3.51
		1-Nov-2019	Sale	9,551	0.00	2,98,19,708	3.51
		15-Nov-2019	Buy	2,633	0.00	2,98,22,341	3.51
		19-Nov-2019	Sale	400	0.00	2,98,21,941	3.51
		22-Nov-2019	Buy	41,756	0.00	2,98,63,697	3.51
		29-Nov-2019	Sale	1,200	0.00	2,98,62,497	3.51
		6-Dec-2019	Buy	89,512	0.01	2,99,52,009	3.52
		13-Dec-2019	Buy	45,449	0.01	2,99,97,458	3.53
		20-Dec-2019	Buy	7,565	0.00	3,00,05,023	3.53
		27-Dec-2019	Buy	2,900	0.00	3,00,07,923	3.53
		31-Dec-2019	Buy	15,38,370	0.18	3,15,46,293	3.71
		3-Jan-2020	Buy	1,63,235	0.02	3,17,09,528	3.73
		10-Jan-2020	Buy	63,790	0.01	3,17,73,318	3.74
		17-Jan-2020	Buy	51,200	0.01	3,18,24,518	3.74
		24-Jan-2020	Buy	59,304	0.01	3,18,83,822	3.75
		31-Jan-2020	Buy	12,26,730	0.14	3,31,10,552	3.90
		7-Feb-2020	Sale	4,373	0.00	3,31,06,179	3.89
		14-Feb-2020	Buy	11,03,689	0.13	3,42,09,868	4.02
		21-Feb-2020	Buy	11,49,535	0.14	3,53,59,403	4.16
		28-Feb-2020	Buy	6,51,510	0.08	3,60,10,913	4.24
		5-Mar-2020	Buy	4,12,640	0.05	3,64,23,553	4.29
		6-Mar-2020	Buy	13,80,597	0.16	3,78,04,150	4.45
		13-Mar-2020	Buy	18,05,915	0.21	3,96,10,065	4.66
(c)	At the end of the year	31-Mar-2020	-	-	-	3,96,10,065	4.66
2	Hathway Investments Limited						
(a)	At the beginning of the year	1-Apr-2019	-	3,67,52,730	4.32	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-Mar-2020	-	-	-	3,67,52,730	4.32
3	Life Insurance Corporation of India*						
(a)	At the beginning of the year	1-Apr-2019	-	1,73,19,262	2.04	-	-
(b)	Changes during the year	5-Apr-2019	Buy	9,88,338	0.12	1,83,07,600	2.15
		12-Apr-2019	Buy	7,70,567	0.09	1,90,78,167	2.24
		19-Apr-2019	Buy	6,67,000	0.08	1,97,45,167	2.32
		26-Apr-2019	Buy	9,76,008	0.11	2,07,21,175	2.44
		3-May-2019	Buy	9,70,000	0.11	2,16,91,175	2.55

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		10-May-2019	Buy	16,61,425	0.20	2,33,52,600	2.75
		17-May-2019	Buy	18,51,350	0.22	2,52,03,950	2.97
		24-May-2019	Buy	10,80,825	0.13	2,62,84,775	3.09
(c)	At the end of the year	31-Mar-2020	-	-	-	2,62,84,775	3.09

***Note:** Upon receipt of declaration from Life Insurance Corporation of India (LIC), various schemes of LIC having common PAN have been clubbed

4 HDFC Trustee Company Ltd - A/C HDFC Mid Cap Opportunities Fund							
(a)	At the beginning of the year	1-Apr-2019	-	1,97,35,000	2.32	-	-
(b)	Changes during the year	10-May-2019	Buy	1,58,000	0.02	1,98,93,000	2.34
		28-Jun-2019	Buy	1,97,000	0.02	2,00,90,000	2.36
		27-Dec-2019	Buy	6,48,000	0.08	2,07,38,000	2.44
		17-Jan-2020	Sale	2,900	0.00	2,07,35,100	2.44
		31-Mar-2020	Buy	60,900	0.01	2,07,96,000	2.45
(c)	At the end of the year	31-Mar-2020	-	-	-	2,07,96,000	2.45
5 Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Fund							
(a)	At the beginning of the year	1-Apr-2019	-	52,89,350	0.62	-	-
(b)	Changes during the year	26-Apr-2019	Sale	1,24,500	0.01	51,64,850	0.61
		3-May-2019	Sale	93,500	0.01	50,71,350	0.60
		10-May-2019	Sale	46,500	0.01	50,24,850	0.59
		17-May-2019	Sale	48,000	0.01	49,76,850	0.59
		28-Jun-2019	Buy	400	0.00	49,77,250	0.59
		5-Jul-2019	Buy	95,000	0.01	50,72,250	0.60
		19-Jul-2019	Buy	70,450	0.01	51,42,700	0.61
		26-Jul-2019	Buy	9,97,000	0.12	61,39,700	0.72
		2-Aug-2019	Buy	96,000	0.01	62,35,700	0.73
		9-Aug-2019	Buy	6,00,000	0.07	68,35,700	0.80
		16-Aug-2019	Sale	19,200	0.00	68,16,500	0.80
		30-Aug-2019	Buy	5,00,000	0.06	73,16,500	0.86
		6-Sep-2019	Buy	38,000	0.00	73,54,500	0.87
		13-Sep-2019	Buy	10,65,200	0.13	84,19,700	0.99
		20-Sep-2019	Buy	6,96,000	0.08	91,15,700	1.07
		27-Sep-2019	Buy	24,41,680	0.29	1,15,57,380	1.36
		30-Sep-2019	Buy	14,400	0.00	1,15,71,780	1.36
		18-Oct-2019	Buy	1,73,246	0.02	1,17,45,026	1.38
		1-Nov-2019	Sale	1,36,800	0.02	1,16,08,226	1.37
		29-Nov-2019	Buy	2,75,900	0.03	1,18,84,126	1.40
		27-Dec-2019	Buy	2,700	0.00	1,18,86,826	1.40
		3-Jan-2020	Buy	65,420	0.01	1,19,52,246	1.41
		17-Jan-2020	Buy	78,000	0.01	1,20,30,246	1.42
		31-Jan-2020	Buy	4,56,500	0.05	1,24,86,746	1.47
		7-Feb-2020	Buy	15,75,000	0.19	1,40,61,746	1.65
		28-Feb-2020	Buy	5,00,000	0.06	1,45,61,746	1.71
		5-Mar-2020	Buy	50,000	0.01	1,46,11,746	1.72
		6-Mar-2020	Buy	15,63,000	0.18	1,61,74,746	1.90
		13-Mar-2020	Sale	20,300	0.00	1,61,54,446	1.90
		31-Mar-2020	Buy	10,69,200	0.13	1,72,23,646	2.03
(c)	At the end of the year	31-Mar-2020	-	-	-	1,72,23,646	2.03

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6	The New India Assurance Company Limited						
(a)	At the beginning of the year	1-Apr-2019	-	1,32,39,111	1.56	-	-
(b)	Changes during the year	6-Apr-2019	Buy	1,10,000	0.01	1,33,49,111	1.57
		12-Apr-2019	Buy	1,80,000	0.02	1,35,29,111	1.59
		19-Apr-2019	Buy	69,325	0.01	1,35,98,436	1.60
		26-Apr-2019	Buy	79,235	0.01	1,36,77,671	1.61
		3-May-2019	Buy	90,000	0.01	1,37,67,671	1.62
		17-May-2019	Buy	1,20,000	0.01	1,38,87,671	1.63
		24-May-2019	Buy	2,00,000	0.02	1,40,87,671	1.66
		31-May-2019	Buy	1,94,780	0.02	1,42,82,451	1.68
		7-Jun-2019	Buy	85,220	0.01	1,43,67,671	1.69
		14-Jun-2019	Buy	1,12,210	0.01	1,44,79,881	1.70
		21-Jun-2019	Buy	1,70,000	0.02	1,46,49,881	1.72
		28-Jun-2019	Buy	17,790	0.00	1,46,67,671	1.73
		5-Jul-2019	Buy	60,000	0.01	1,47,27,671	1.73
		12-Jul-2019	Buy	1,07,000	0.01	1,48,34,671	1.75
		19-Jul-2019	Buy	33,000	0.00	1,48,67,671	1.75
		18-Oct-2019	Buy	35,000	0.00	1,49,02,671	1.75
		25-Oct-2019	Buy	1,50,000	0.02	1,50,52,671	1.77
		1-Nov-2019	Buy	1,15,000	0.01	1,51,67,671	1.78
		8-Nov-2019	Buy	90,000	0.01	1,52,57,671	1.80
		15-Nov-2019	Buy	1,20,000	0.01	1,53,77,671	1.81
		19-Nov-2019	Buy	90,000	0.01	1,54,67,671	1.82
		13-Dec-2019	Buy	3,75,000	0.04	1,58,42,671	1.86
		20-Dec-2019	Buy	2,25,000	0.03	1,60,67,671	1.89
		31-Mar-2020	Buy	3,50,000	0.04	1,64,17,671	1.93
(c)	At the end of the year	31-Mar-2020	-	-	-	1,64,17,671	1.93
7	HDFC Standard Life Insurance Company Limited						
(a)	At the beginning of the year	1-Apr-2019	-	1,11,52,296	1.31	-	-
(b)	Changes during the year	12-Apr-2019	Buy	26,404	0.00	1,11,78,700	1.32
		26-Apr-2019	Buy	81,518	0.01	1,12,60,218	1.32
		3-May-2019	Sale	123	0.00	1,12,60,095	1.32
		10-May-2019	Buy	1,08,174	0.01	1,13,68,269	1.34
		17-May-2019	Buy	96,955	0.01	1,14,65,224	1.35
		24-May-2019	Buy	2,81,384	0.03	1,17,46,608	1.38
		31-May-2019	Buy	21,679	0.00	1,17,68,287	1.38
		7-Jun-2019	Sale	2,170	0.00	1,17,66,117	1.38
		14-Jun-2019	Sale	1,00,189	0.01	1,16,65,928	1.37
		21-Jun-2019	Buy	4,18,947	0.05	1,20,84,875	1.42
		28-Jun-2019	Buy	27,242	0.00	1,21,12,117	1.42
		5-Jul-2019	Sale	1,620	0.00	1,21,10,497	1.42
		12-Jul-2019	Buy	33,586	0.00	1,21,44,083	1.43
		19-Jul-2019	Sale	19,006	0.00	1,21,25,077	1.43
		26-Jul-2019	Buy	4,19,712	0.05	1,25,44,789	1.48
		2-Aug-2019	Sale	8,161	0.00	1,25,36,628	1.47
		9-Aug-2019	Buy	1,76,030	0.02	1,27,12,658	1.50
		16-Aug-2019	Buy	1,99,546	0.02	1,29,12,204	1.52
		23-Aug-2019	Buy	43,911	0.01	1,29,56,115	1.52

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		30-Aug-2019	Buy	55,238	0.01	1,30,11,353	1.53
		6-Sep-2019	Buy	98,540	0.01	1,31,09,893	1.54
		13-Sep-2019	Sale	199	0.00	1,31,09,694	1.54
		20-Sep-2019	Buy	2,43,026	0.03	1,33,52,720	1.57
		27-Sep-2019	Buy	5,99,844	0.07	1,39,52,564	1.64
		4-Oct-2019	Sale	39,093	0.00	1,39,13,471	1.64
		11-Oct-2019	Sale	10,144	0.00	1,39,03,327	1.64
		18-Oct-2019	Buy	77,422	0.01	1,39,80,749	1.64
		25-Oct-2019	Buy	1,13,682	0.01	1,40,94,431	1.66
		1-Nov-2019	Sale	1,171	0.00	1,40,93,260	1.66
		8-Nov-2019	Sale	9,662	0.00	1,40,83,598	1.66
		15-Nov-2019	Sale	1,394	0.00	1,40,82,204	1.66
		19-Nov-2019	Sale	5,250	0.00	1,40,76,954	1.66
		22-Nov-2019	Sale	584	0.00	1,40,76,370	1.66
		29-Nov-2019	Sale	16,445	0.00	1,40,59,925	1.65
		6-Dec-2019	Sale	51,912	0.01	1,40,08,013	1.65
		13-Dec-2019	Sale	1,167	0.00	1,40,06,846	1.65
		20-Dec-2019	Sale	15,333	0.00	1,39,91,513	1.65
		27-Dec-2019	Sale	2,618	0.00	1,39,88,895	1.65
		31-Dec-2019	Sale	5,186	0.00	1,39,83,709	1.65
		3-Jan-2020	Sale	6,918	0.00	1,39,76,791	1.64
		10-Jan-2020	Sale	98,564	0.01	1,38,78,227	1.63
		17-Jan-2020	Sale	89,840	0.01	1,37,88,387	1.62
		24-Jan-2020	Sale	5,713	0.00	1,37,82,674	1.62
		31-Jan-2020	Buy	2,02,686	0.02	1,39,85,360	1.65
		7-Feb-2020	Sale	1,68,950	0.02	1,38,16,410	1.63
		14-Feb-2020	Sale	2,252	0.00	1,38,14,158	1.63
		21-Feb-2020	Buy	61,686	0.01	1,38,75,844	1.63
		28-Feb-2020	Buy	95,205	0.01	1,39,71,049	1.64
		5-Mar-2020	Buy	3,47,348	0.04	1,43,18,397	1.68
		6-Mar-2020	Buy	300	0.00	1,43,18,697	1.68
		13-Mar-2020	Buy	48,225	0.01	1,43,66,922	1.69
		31-Mar-2020	Buy	5,85,981	0.07	1,49,52,903	1.76
(c)	At the end of the year	31-Mar-2020	-	-	-	1,49,52,903	1.76
8 Government Pension Fund Global							
(a)	At the beginning of the year	1-Apr-2019	-	1,20,32,956	1.42	-	-
(b)	Changes during the year	4-Oct-2019	Sale	2,38,077	0.03	1,17,94,879	1.39
		11-Oct-2019	Sale	2,32,427	0.03	1,15,62,452	1.36
		18-Oct-2019	Sale	2,54,278	0.03	1,13,08,174	1.33
		22-Nov-2019	Sale	3,731	0.00	1,13,04,443	1.33
		29-Nov-2019	Sale	15,10,336	0.18	97,94,107	1.15
		13-Mar-2020	Buy	2,62,163	0.03	1,00,56,270	1.18
		31-Mar-2020	Buy	24,75,889	0.29	1,25,32,159	1.47
(c)	At the end of the year	31-Mar-2020	-	-	-	1,25,32,159	1.47
9 DSP Mid Cap Fund**							
(a)	At the beginning of the year	1-Apr-2019	-	1,00,68,962	1.18	-	-

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
(b)	Changes during the year	5-Apr-2019	Sale	15,33,009	0.18	85,35,953	1.00
		12-Apr-2019	Sale	5,43,000	0.06	79,92,953	0.94
		3-May-2019	Buy	22,61,806	0.27	1,02,54,759	1.21
		10-May-2019	Buy	4,000	0.00	1,02,58,759	1.21
		31-May-2019	Buy	19,06,254	0.22	1,21,65,013	1.43
		7-Jun-2019	Buy	5,69,503	0.07	1,27,34,516	1.50
		14-Jun-2019	Buy	63,328	0.00	1,27,97,844	1.51
		21-Jun-2019	Buy	4,017	0.00	1,28,01,861	1.51
		28-Jun-2019	Sale	1,239	0.00	1,28,00,622	1.51
		5-Jul-2019	Buy	1,443	0.00	1,28,02,065	1.51
		12-Jul-2019	Buy	956	0.00	1,28,03,021	1.51
		19-Jul-2019	Sale	5,166	0.00	1,27,97,855	1.51
		26-Jul-2019	Sale	14,61,493	0.17	1,13,36,362	1.33
		2-Aug-2019	Buy	150	0.00	1,13,36,512	1.33
		9-Aug-2019	Sale	2,75,413	0.03	1,10,61,099	1.30
		16-Aug-2019	Sale	7,67,280	0.09	1,02,93,819	1.21
		23-Aug-2019	Buy	361	0.00	1,02,94,180	1.21
		30-Aug-2019	Buy	2,024	0.00	1,02,96,204	1.21
		6-Sep-2019	Buy	724	0.00	1,02,96,928	1.21
		13-Sep-2019	Buy	14,342	0.00	1,03,11,270	1.21
		27-Sep-2019	Sale	31	0.00	1,03,11,239	1.21
		11-Oct-2019	Sale	387	0.00	1,03,10,852	1.21
		18-Oct-2019	Sale	426	0.00	1,03,10,426	1.21
		25-Oct-2019	Buy	1,978	0.00	1,03,12,404	1.21
		1-Nov-2019	Buy	759	0.00	1,03,13,163	1.21
		8-Nov-2019	Buy	379	0.00	1,03,13,542	1.21
		15-Nov-2019	Buy	700	0.00	1,03,14,242	1.21
		19-Nov-2019	Sale	698	0.00	1,03,13,544	1.21
		22-Nov-2019	Sale	116	0.00	1,03,13,428	1.21
		29-Nov-2019	Sale	409	0.00	1,03,13,019	1.21
		6-Dec-2019	Buy	1,628	0.00	1,03,14,647	1.21
		13-Dec-2019	Buy	745	0.00	1,03,15,392	1.21
		20-Dec-2019	Buy	15,02,622	0.18	1,18,18,014	1.39
		27-Dec-2019	Buy	3,26,338	0.04	1,21,44,352	1.43
		31-Dec-2019	Buy	43,50,784	0.51	1,64,95,136	1.94
		3-Jan-2020	Buy	53,010	0.01	1,65,48,146	1.95
		10-Jan-2020	Buy	6,49,084	0.08	1,71,97,230	2.02
		17-Jan-2020	Buy	2,61,000	0.03	1,74,58,230	2.05
		24-Jan-2020	Sale	70,235	0.01	1,73,87,995	2.05
		31-Jan-2020	Sale	23,817	0.00	1,73,64,178	2.04
		7-Feb-2020	Sale	5,37,580	0.06	1,68,26,598	1.98
		14-Feb-2020	Buy	98,492	0.01	1,69,25,090	1.99
		21-Feb-2020	Sale	56,905	0.01	1,68,68,185	1.98
		28-Feb-2020	Sale	20,114	0.00	1,68,48,071	1.98
		5-Mar-2020	Buy	1,23,473	0.01	1,69,71,544	2.00
		13-Mar-2020	Sale	46,23,767	0.54	1,23,47,777	1.45
		31-Mar-2020	Buy	67,654	0.01	1,24,15,431	1.46
(c)	At the end of the year	31-Mar-2020	-	-	-	1,24,15,431	1.46

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Date of event	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10	ITPL - Invesco India Tax Plan						
(a)	At the beginning of the year	1-Apr-2019	-	79,68,560	0.94	-	-
(b)	Changes during the year	5-Apr-2019	Buy	2,28,971	0.03	81,97,531	0.96
		12-Apr-2019	Buy	11,364	0.00	82,08,895	0.97
		26-Apr-2019	Buy	3,068	0.00	82,11,963	0.97
		3-May-2019	Buy	2,748	0.00	82,14,711	0.97
		10-May-2019	Buy	1,59,189	0.02	83,73,900	0.99
		17-May-2019	Buy	1,86,723	0.02	85,60,623	1.01
		24-May-2019	Buy	61,151	0.01	86,21,774	1.01
		31-May-2019	Buy	1,20,772	0.01	87,42,546	1.03
		7-Jun-2019	Buy	1,54,070	0.02	88,96,616	1.05
		14-Jun-2019	Buy	2,42,335	0.03	91,38,951	1.08
		21-Jun-2019	Buy	3,89,316	0.05	95,28,267	1.12
		28-Jun-2019	Buy	76,200	0.01	96,04,467	1.13
		5-Jul-2019	Buy	1,08,588	0.01	97,13,055	1.14
		12-Jul-2019	Buy	4,59,240	0.05	1,01,72,295	1.20
		26-Jul-2019	Buy	11,54,866	0.14	1,13,27,161	1.33
		2-Aug-2019	Buy	4,88,500	0.06	1,18,15,661	1.39
		9-Aug-2019	Buy	1,08,279	0.01	1,19,23,940	1.40
		23-Aug-2019	Sale	29,627	0.00	1,18,94,313	1.40
		30-Aug-2019	Sale	21,724	0.00	1,18,72,589	1.40
		20-Sep-2019	Sale	4,57,252	0.05	1,14,15,337	1.34
		27-Sep-2019	Sale	12,87,799	0.15	1,01,27,538	1.19
		11-Oct-2019	Sale	5,12,388	0.06	96,15,150	1.13
		18-Oct-2019	Sale	24,62,475	0.29	71,52,675	0.84
		8-Nov-2019	Buy	62,679	0.01	72,15,354	0.85
		29-Nov-2019	Sale	5,926	0.00	72,09,428	0.85
		6-Dec-2019	Buy	1,08,713	0.01	73,18,141	0.86
		20-Dec-2019	Buy	88,462	0.01	74,06,603	0.87
		27-Dec-2019	Sale	69,223	0.01	73,37,380	0.86
		10-Jan-2020	Sale	18,900	0.00	73,18,480	0.86
		31-Jan-2020	Sale	4,988	0.00	73,13,492	0.86
		7-Feb-2020	Buy	3,12,583	0.04	76,26,075	0.90
		14-Feb-2020	Buy	96,209	0.01	77,22,284	0.91
		28-Feb-2020	Buy	2,39,174	0.03	79,61,458	0.94
		5-Mar-2020	Buy	2,37,011	0.03	81,98,469	0.96
		6-Mar-2020	Buy	1,48,272	0.02	83,46,741	0.98
		31-Mar-2020	Sale	6,300	0.00	83,40,441	0.98
(c)	At the end of the year	31-Mar-2020	-	-	-	83,40,441	0.98

** At the opening of the year the balance of the shares appeared in the name were ICICI Prudential Discovery Fund & DSP Blackrock Small & Mid Cap Fund but at the end of the year the shares are standing in the name of ICICI Prudential Value Discovery Fund & DSP Mid Cap Fund.

(v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Name of Directors / KMPs						
	Gautam Chatterjee	Subir Chakraborty	A K Mukherjee	Arun Mittal	Mona N Desai	Sudhir Chand	Nawshir H. Mirza
At the beginning of the year	10,000	1,106	1,000	1,152	78,666	18,872	NIL
Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	NIL	NIL	NIL	NIL	NIL	NIL	245 (Market purchase on 23-01-2020) 192 (Market purchase on 30-01-2020)
At the End of the year	10,000	1,106	1,000	1,152	78,666	18,872	437

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

V. STATEMENT FOR INDEBTEDNESS AS ON 31.03.2020

	Secured Loans excluding deposit	Unsecured Loans excluding deposit	Total Indebtedness
Indebtedness at the beginning of the Financial Year 2019-20			
(i) Principal Amount			
(ii) Interest due but not paid			
(iii) Interest accrued but not due			
Total (i+ii+iii)	NIL	NIL	NIL
Change in indebtedness during the Financial Year 2019-20			
Addition			
(i) Principal Amount			
(ii) Interest due but not paid			
(iii) Interest accrued but not due			
Total (i+ii+iii)	NIL	NIL	NIL
Reduction -Principal Amount			
Reduction-Interest accrued but not due			
Total			
Net Change	NIL	NIL	NIL
Indebtedness at the end of the Financial Year 2019-20			
(i) Principal Amount			
(ii) Interest due but not paid			
(iii) Interest accrued but not due			
Total (i+ii+iii)	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD / WTD/ Manager				(in Rs.)
		Gautam Chatterjee (MD & CEO)	A K Mukherjee (Director- Finance & CFO)	Subir Chakraborty (Deputy Managing Director)	Arun Mittal (Director- Automotive)	Total Amount
1	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,75,97,480	1,51,32,780	1,13,92,875	94,07,754	6,35,30,889
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	21,67,850	16,43,964	16,34,561	12,23,903	66,70,278
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	98,66,640	56,82,040	42,84,500	34,48,500	2,32,81,680
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5	Others, please specify (Retiral Benefits)	61,39,698	35,35,754	26,72,428	21,52,436	1,45,00,316
	Total (A) = (1+2+3+4+5)	4,57,71,668	2,59,94,538	1,99,84,364	1,62,32,593	10,79,83,163
	Ceiling as per the Act	Rs. 1,03,51,87,219/- (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

B. Remuneration to other directors

Sl. no.	Particulars of Remuneration	Name of other Director							(in Rs.)
		Mr. Rajan B Raheja	Mr. Vijay Aggarwal ²	Ms. Mona N Desai	Mr. Sudhir Chand	Mr. Bharat Dhirajlal Shah	Mr. Nawshir H Mirza	Mr. Surin Shailesh Kapadia	TOTAL (Amount)
1	Independent Directors								
	·Fee for attending board & committee meetings	-	2,50,000	6,75,000	6,75,000	3,75,000	6,75,000	6,75,000	33,25,000
	·Commission ¹	-	-	15,00,000	15,00,000	40,00,000	40,00,000	15,00,000	1,25,00,000
	·Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	2,50,000	21,75,000	21,75,000	43,75,000	46,75,000	21,75,000	1,58,25,000
2	Other Non-executive Directors								
	·Fee for attending board & committee meetings	2,25,000	-	-	-	-	-	-	2,25,000
	·Commission	-	-	-	-	-	-	-	-
	·Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	2,25,000	-	-	-	-	-	-	2,25,000
	Total (B) = (1+2)	2,25,000	2,50,000	21,75,000	21,75,000	43,75,000	46,75,000	21,75,000	1,60,50,000
	Total Managerial Remuneration (A+B)								12,40,33,163
	Overall Ceiling as per the Act	Rs. 1,13,87,05,941/- (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)							

1. The commission for the year ended 31st March 2020 will be paid, subject to deduction of tax, after adoption of accounts by the Members

2. Mr. Vijay Aggarwal ceased to be director upon completion of tenure on 3rd August 2019

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

		(in Rs.)	
Sl. No.	Particulars of Remuneration	Jitendra Kumar Company Secretary & EVP- Legal & Administration	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	71,33,908	71,33,908
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,30,724	9,30,724
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify (Retiral Benefits)	9,58,828	9,58,828
	Total (C) = (1+2+3+4+5)	90,23,460	90,23,460

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

On behalf of Board of Directors

Date: 5th June 2020

Sd/-
Bharat D Shah
 Chairman
 DIN: 00136969
 Place: London

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

Annexure VI

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS.

SL. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	(All contracts or arrangements or transactions with related parties are at arm's length basis)
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS.

SL. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	Chloride Metals Limited (CML) (Wholly Owned Subsidiary Company)
b)	Nature of contracts/arrangements/transaction	Purchase of lead, lead alloys and lead small parts and sale of scrap batteries
c)	Duration of the contracts/arrangements/transaction	April 2019 to March 2020
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Value of transactions with CML amounted to Rs. 2,809.91 crs.
e)	Date of approval by the Board	4th February 2019
f)	Amount paid as advances, if any	-

On behalf of the Board of Directors

Sd/-

Bharat D Shah

Chairman

DIN: 00136969

Place: London

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Place: Kolkata

Date: 5th June 2020

ANNEXURE VII

Information as per Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March 2020**A. CONSERVATION OF ENERGY****(i) The steps taken or impact on conservation of energy**

All levels in the organisation are focused on conserving energy and using it efficiently. This is also the key to financial success, as energy is one of the important elements of conversion cost. Your Company has been implementing short and long-term actions to improve energy efficiency as it is committed to minimising the triggers of climate change. The Company has formed a dedicated energy management cell at the corporate level to drive its energy-efficiency initiatives. The company reviews the progress and effectiveness of these initiatives regularly. TPM is leveraged to excel in operation. The factories of your Company have 'Energy' as one of TPM Pillars, which exclusively focuses on achieving global performance standards. The Company also does energy audits periodically.

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

- Installed energy monitoring system, energy dashboard at shop floors at all manufacturing units
- Installation of thyristorised heating system for lead melting pots
- Installation of timers in blowers, air conditioners & cooling fans
- Installation of maximum-demand controller for controlling peak demands
- Use of energy-less roof turbine ventilators
- Optimisation of charging schedule to lower power consumption
- High energy-efficient Motor (IE-3 & IE-4) in place of low operational efficiency & re-winded motor
- Energy-efficient water pumps
- Improved APC - bag filter & scrubber fan / blower efficiency
- Use of timers for office air-conditioning system
- Lead melting pot process temperature reduction & temperature optimisation
- Thermal imaging of lead melting pot / furnaces & leakage correction

- Installed sequential timer controller in APC fan blower motor
- Installed in-line compressed air flow meter/totaliser, energy meters and reporting to energy monitoring system for better monitoring & efficient use

(ii) Steps taken for utilising alternate sources of energy

- Installed roof-top solar power plant -- Step towards green energy
- Entered into long-term agreements to purchase solar power with off-site solar power developer
- Solar module for street lights - Step towards green energy
- Installation of sky shade pipe lighting

(iii) The capital investment made by the Company on energy conservation equipment during the financial year ended 31st March 2020: Rs. 5.40 Crores**B. TECHNOLOGY ABSORPTION****I. Technology Absorption, Adaptation and Innovation**

In order to maintain its leadership position, your Company is always working on widening its product portfolio and bringing in the latest manufacturing practices so that it can offer the exact solution required by users, both in the country and abroad. The R&D department strives to introduce novel, efficient, and cost-effective alternative materials as well as advanced manufacturing techniques in the factories. Your Company also acquires the latest technologies through technical collaboration agreements with leading international battery manufacturers from across the globe. They bring technical knowhow, as well as first-hand experience of challenges encountered in successful battery operation in different parts of the world, a knowledge that your Company needs to succeed in the international as well as the national market. The R&D department provides the interface between the company's priorities and the collaborator's technology.

With the Indian government tightening vehicle emission norms, your Company anticipates demand for advanced car batteries of the EFB & ISS version, suited for the advanced vehicles with stop-start

feature. Your Company, working with its collaborators- Moura of Brazil, to name one-is poised to produce the EFB products in Chinchwad plant. Work is also going on with Furukawa Batteries to upgrade the design of all MC batteries to be Bharat VI compliant. Close collaboration with EPM & Ecoult has taken the Ultrabattery solution, for bulk storage of renewable energy, to the doorstep of commercial deployment.

Upgradation of the existing range of all products with help from collaborators is a continuous process. This happens through multiple visits from either side,

intense rounds of prototype evaluations, exchange of test data and information, before a design gets finalised and adopted for introduction.

II. Benefits

Introduction of new products/processes has helped the Company to meet the emerging market needs and 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.

III. Particulars of Imported Technology in the last 3 years

Sr. No.	Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
1	Valve Regulated Lead Acid Storage Batteries (VRLA) for Motorcycles with Furukawa Battery Co. Ltd., Japan for Bawal and Ahmednagar Plants.	Since 9th March 2007. Current arrangement is effective from 1st April 2020 and is valid till 31st March 2025	Agreement is for Technical Assistances under license for continuous improvements in manufacturing technology, process etc. of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing
2	Automotive Batteries with C21 Alloy and C21 Technology with Furukawa Battery Co. Ltd., Japan for Taloja and Bawal Plants.	Since 1st December 2010. Current arrangement is effective from 1st December 2015 and is valid till 30th November 2020	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress	Since the technology is continuous, the Agreement will be ongoing
3	Automotive Technical Assistance/ Collaboration Agreement with Furukawa Battery Co. Ltd., Japan for Taloja and Bawal Plants	Since 1987-1988. Current arrangement is effective from 1st December 2015 and is valid till 30th November 2020	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing
4	Automotive Batteries for Idling Stop System (ISS) with Furukawa Battery Co. Ltd., Japan for Taloja and Bawal Plants.	Since 1st February 2010. Current arrangement is effective from 1st February 2020 and is valid till 31st January 2025	Agreement is for Technical Assistance for continuous improvements in manufacturing technology of different products and is in progress.	Since the technology is continuous, the Agreement will be ongoing
5	Lead Acid Batteries, used for Automotive, Industrial, Motor Cycle and Other Applications from East Penn Manufacturing Co., USA.	Since 15th January 2017 and is valid upto 14th January 2022	Agreement is for Technical Collaboration and Assistance for continuous improvements in manufacturing technology of different products. and is in progress	Since the technology is continuous, the Agreement will be ongoing
6	Special Conventional Batteries for Automotive Applications having positive electrode plates and expanded grids with Shin-Kobe Electric Machinery Co. Ltd. Japan for Shamnagar, Haldia, Chinchwad and Hosur.	Since 3rd February 2013 and is valid upto 2nd February 2023	Agreement is for Technical License and Assistance for continuous improvements in manufacturing technology of different products and is in progress	Since the technology is continuous, the Agreement will be ongoing

Sr. No.	Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
7	Li-ion Batteries for use in Motive Power and Energy Storage System with Zhejiang Chaowei Chuangyuan Shiye Co. Ltd. Group, China.	Since 3rd January 2017 and is valid till 2nd January 2025	Agreement is for Technical Assistance/Collaboration for continuous improvements in manufacturing technology of different products and is in progress	Since the technology is continuous, the Agreement will be ongoing
8	Energy Storage Solution (ESS) centered around Ultra Battery Technology with Smart Storage Pty Ltd. Australia (Ecoult).	Since 1st January 2017 and is valid upto 31st December 2021	Agreement is to establish collaborative technology and joint marketing program to create and offer ESS Solutions and Storage Blocks and is in progress	Since the technology is continuous, the Agreement will be ongoing
9	Ultra Battery (UB) Technology for stationary industrial and other battery applications from East Penn Manufacturing Co., USA.	Since 1st January 2017 and is valid upto 31st December 2021	Agreement is for Patent Sub-License of UB Technologies i.e. integration of lead acid batteries with Ultra-capacitors for continuous improvements in manufacturing technology of different products and is in progress	Since the technology is continuous, the Agreement will be ongoing
10	Bi-Polar Lead Acid Storage Batteries from Advanced Battery Concepts, LLC, USA.	Since 18th December 2017 and is valid upto 17th December 2037	Agreement is for Technical Assistance License for continuous improvements in manufacturing technology of Bi-polar Lead Acid Batteries and is in progress	Since the technology is continuous, the Agreement will be ongoing
11	Enhanced Flooded Batteries (EFB), Heavy Duty Batteries (HDB), Motorcycle AGM Batteries (MAB) and Stationary Flooded Batteries (SFB), referred to as Moura High Efficiency (MHE) Batteries from Acumuladores Moura S.A., Brazil.	Since 26th February 2018 and is valid upto 25th February 2028	Agreement is for Technology Licensing to design, manufacture, produce, sell, maintain and for continuous improvements in manufacturing technology of Moura High Efficiency (MHE) Batteries and is in progress	Since the technology is continuous, the Agreement will be ongoing.
12	Pocket Type Nickel - Cadmium Alkaline Storage Battery and Sintered Type Nickel-Cadmium Alkaline Storage Battery referred to as 'Alkaline Battery' for emergency power supply of electrical train and wide range of industrial electric equipment from The Furukawa Battery Co. Ltd., Japan	Since 11th July 2018 and is valid upto 10th July 2023	Agreement is for Technological Assistance and Support with all necessary know-how and technical information for continuous improvements in manufacturing technology of Alkaline Batteries and is in progress	Since the technology is continuous, the Agreement will be ongoing.
13	Ultra Battery (UB) Technologies for automotive applications from The Furukawa Battery Co. Ltd., Japan (FB).	Since 19th July 2018 and is valid till the last Patent and Patent Applications lapses, ceases or expires or all payment obligations under the sub-license agreement dated 19th July 2018 are fully discharged by Exide Industries Limited	Agreement is for Patent Sub-License of Ultra Batteries (UB) Technologies i.e. integration of lead acid batteries with ultra-capacitors under Ultra Battery (UB) Patents and Patent Applications for use in automotive applications and for continuous improvements in manufacturing technology of Ultra Batteries and is in progress	Since the technology is continuous, the Agreement will be ongoing.

Sr. No.	Technology Imported	Year of Import	Has Technology been absorbed	If not fully absorbed, reasons and future action plan
14	Ultra Batteries (UB) Technologies for use in automotive applications from The Furukawa Battery Co. Ltd, Japan.	Since 22nd October 2018 and is valid upto 21st October 2023	Agreement is for Technical Assistance and Technological Support in respect of Ultra Batteries (UB) Technologies i.e. lead acid batteries integrated with ultra-capacitors under Ultra Batteries Patents (UB1, UB2 and UB3) and for continuous improvements in manufacturing technology of Ultra Batteries and is in progress	Since the technology is continuous, the Agreement will be ongoing.
15	Battery Monitoring and Management System (BMMS) License centered around Ultra Battery Technology from Smart Storage Pty Ltd. Australia (Ecoul).	Since 31st May 2017 and is valid upto 30th May 2022	Agreement is for Manufacturing License of BMS Hardware and to exploit the BMMS and for continuous improvements in manufacturing technology of BMMS and is in progress	Since the technology is continuous, the Agreement will be ongoing.
16	Automotive and Valve Regulated Lead Acid Storage Batteries (VRLA) with Shin-Kobe Electric Machinery Co. Ltd., Japan for Shamnagar, Haldia, Chinchwad and Hosur Plants.	Since 1994 – 95. Current arrangement was effective from 1st April 2015 and was valid upto 31st March 2020	Agreement was for Technical Assistance for continuous improvements in manufacturing technology, process etc. of different products. The technology provided by them has since been absorbed.	The agreement has expired on 31st March 2020.

IV. Expenditure on Research & Development

The capital and revenue expenditure on R & D were Rs. 2.56 Crores and Rs. 20.30 Crores respectively, aggregating to Rs. 22.86 Crores

Total R & D expenditure as percentage of Net Turnover: 0.23 per cent

C. FOREIGN EXCHANGE – EARNINGS AND OUTGOINGS TOTAL FOREIGN EXCHANGE USED AND EARNED:

Used : Rs. 1,045.83 Crores

Earned : Rs. 576.79 Crores

On behalf of the Board of Directors

Sd/-

Bharat D Shah

Chairman

DIN: 00136969

Place: London

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Place: Kolkata

Date: 5th June 2020

ANNEXURE VIII

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Requirements of Rule 5(1)	Details
The ratio of the remuneration of each Executive director to the median remuneration of the employees of the Company for the financial year	Directors: Mr. Gautam Chatterjee : 39x Mr. A K Mukherjee : 22x Mr. Subir Chakraborty : 17x Mr. Arun Mittal : 14x
The percentage increase in remuneration of each Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	Directors: Mr. Gautam Chatterjee : 10% Mr. A K Mukherjee : 10% Mr. Subir Chakraborty : 24% Mr. Arun Mittal : 28% Key Managerial Personnel: Mr. Jitendra Kumar : 10%
The percentage increase in the median remuneration of employees in the financial year	7%
The number of permanent employees on the rolls of company	5,822 employees as on 31.03.2020
Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average Salary increase of non-managerial employees is 7% Average Salary increase of managerial employees is 8% There are no exceptional circumstances in increase in managerial remuneration The average increase every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice
Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended 31st March 2020 is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Sd/-
Bharat D Shah
Chairman
DIN: 00136969
Place: London

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

Date: 5th June 2020

Note: The Non-executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Members. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report.

Independent Auditors' Report

To the Members of Exide Industries Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Exide Industries Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matter

Provision for warranties

See note 25 and 33 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company provides warranty for sale of its products. The estimation of costs (of repairing and replacing the product which is ascertained to be faulty) in respect of future warranty claims requires application of significant judgement.</p> <p>The provision for warranty is computed based on sales volume and historical information about product failures (and consequential repairs and returns), adjusted for the key developments occurring during the year which may affect the liability.</p> <p>Given the significant level of judgement involved in making the above estimate and its quantitative significance, we have determined this to be a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> Assessed the appropriateness of accounting policy for provision of warranties as per relevant accounting standard; Tested the design, implementation and operating effectiveness of key controls associated with the process of computation of the provision for warranties; Evaluated the warranty provision model. This included evaluation of the reasonableness of the relevant assumptions, the relevance and reliability of underlying data (including cost of repairs and returns); Performed retrospective review of the management estimate by comparing costs incurred during the current financial year to the previously recognised corresponding provision. We also considered the existence of any indicators of significant product defect occurring during the year and subsequent to the year-end that would significantly affect the estimates of the year end warranty provision.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Incentives under customer loyalty programmes**See note 23, 24 and 26 to the standalone financial statements**

The key audit matter	How the matter was addressed in our audit
<p>The Company gives incentives to its dealers through customer loyalty programmes.</p> <p>Due to the multitude of schemes and a large variety of contractual terms across the various markets of the Company, the estimation of these incentives is complex and involves significant judgement. The amount of such incentive is also significant.</p> <p>In view of the above, we determined this matter to be a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of the Company's accounting policy relating to the incentives provided under the customer loyalty programme; • Tested the design, implementation and operating effectiveness of the Company's controls over computation of incentives and payout against the corresponding liability • Evaluated the model used for estimating the liability including the relevance and reliability of underlying historical data, developments during the year and assumptions used • Performed retrospective review of the management's estimate by comparing utilisation of incentives with previously recognised corresponding liability. We also considered the developments during the year and subsequent to the year-end (including the impact of COVID 19) that would significantly affect the measurement of the year end incentive liability.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the

state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company

so far as it appears from our examination of those books.

- c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

- 3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

UDIN: 20055757AAAABF7132

Place: Kolkata
Date: 5 June 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EXIDE INDUSTRIES LIMITED FOR THE YEAR ENDED 31 MARCH 2020

Report on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016 to the aforesaid standalone financial statements under Section 143(11) of the Companies Act, 2013

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except the following:

Total number of Cases	Class of Asset	Gross Block at 31 March 2020 (Rs in Crores)	Net Block at 31 March 2020 (Rs in Crores)
3	Residential Apartments	2.55	1.65
1	Leasehold land	41.00	38.26

(ii) The inventory, except goods in transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management.

(iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or

provided any guarantee or security during the year that would attract provisions of section 185 and 186 of the Act. The provisions of section 186 of the Act in respect of investments made, have been complied with by the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us by the management, the Company did not have any dues on account of Sales Tax, Service Tax, duty of excise and Value Added Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute, except the following:

Name of the Statute	Nature of the dues	Amount in Rupees* (In Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Sales tax (including interest and penalty, as applicable)	4.91	1997-98 to 2017-18	Appellate Authority up to Commissioner's level
The Central Sales Tax Act, 1956	Sales tax (including interest and penalty, as applicable)	0.99	2000-01 to 2015-16	Sales Tax Appellate Tribunals of various states
Various State Sales Tax Act	Sales tax (including interest and penalty, as applicable)	61.17	1997-98 to 2019-20	Appellate Authority up to Commissioner's level
Various State Sales Tax Act	Sales tax (including interest and penalty, as applicable)	2.40	2000-01 to 2015-16	Value Added Tax Appellate
Various State Sales Tax Act	Sales tax (including interest and penalty, as applicable)	0.19	2000-01 and 2008-09	High Courts of various states
Service tax (Finance Act, 1994)	Service tax (including interest and penalty, as applicable)	9.52	2005-06 to 2010-11	Appellate Authority up to Commissioner's level
Service tax (Finance Act, 1994)	Service tax (including interest and penalty, as applicable)	25.05	2009-10 to 2015-16	Customs, Excise and Service Tax Appellate Tribunals of various states
The Central Excise Act, 1944	Excise duty (including interest and penalty, as applicable)	1.51	2007-08 to 2016-17	Appellate Authorities up to Commissioner level
The Central Excise Act, 1944	Excise duty (including interest and penalty, as applicable)	9.18	2002-03 to 2015-16	Customs, Excise and Service Tax Appellate Tribunals of various states
Customs Act, 1962	Custom duty (including interest and penalty, as applicable)	4.52	2010-11	Customs, Excise and Service Tax Appellate Tribunals, Mumbai

*Amounts are net of pre-deposits, made under protest, aggregating to Rs.13.73 crores.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings from financial institutions or banks. The Company did not have any outstanding loan or borrowings from government or debenture holders during the year.
- (xi) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details of such transactions have been disclosed in the standalone

financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

UDIN: 20055757AAAABF7132

Place: Kolkata

Date: 5 June 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EXIDE INDUSTRIES LIMITED FOR THE YEAR ENDED 31 MARCH 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

OPINION

We have audited the internal financial controls with reference to financial statements of Exide Industries Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These

responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as

necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

UDIN: 20055757AAAABF7132

Place: Kolkata
Date: 5 June 2020

Balance Sheet

as at 31st March 2020

			(Rs. in Crores)
	Note No.	March 31, 2020	March 31, 2019
i) ASSETS			
1) Non-Current Assets			
a) Property, plant and equipment	2(a)	2,275.48	2,265.97
b) Capital work-in-progress	2(a)	296.88	254.93
c) Investment property	2(b)	34.23	-
d) Right-of-use asset	2(c)	27.44	-
e) Intangible assets	3	36.47	31.30
f) Financial assets			
(i) Investments	4	2,052.07	1,945.48
(ii) Trade receivables	5	0.10	0.18
(iii) Loans	6	17.19	18.18
g) Current tax assets (net)		64.72	88.62
h) Other non-current assets	7	98.00	95.79
		4,902.58	4,700.45
2) Current Assets			
a) Inventories	8	2,192.27	1,803.97
b) Financial assets			
(i) Investments	9	18.73	253.91
(ii) Trade receivables	10	815.30	1,081.04
(iii) Cash and cash equivalents	11	144.87	64.70
(iv) Bank balances other than (iii) above	12	9.72	8.85
(v) Loans	13	14.98	13.98
(vi) Other financial assets	14	24.66	33.19
c) Other current assets	15	118.97	212.33
		3,339.50	3,471.97
Total Assets		8,242.08	8,172.42
ii) EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	16	85.00	85.00
b) Other equity	17	6,211.11	5,901.99
		6,296.11	5,986.99
2) Liabilities			
i) Non-Current Liabilities			
a) Financial liabilities			
(i) Lease liabilities		27.39	-
(ii) Trade payables	18	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		5.74	4.79
(iii) Other financial liabilities	19	2.95	2.26
b) Provisions	20	63.78	45.16
c) Deferred tax liabilities (net)	21	101.86	175.14
		201.72	227.35
ii) Current Liabilities			
a) Financial liabilities			
(i) Lease liabilities		0.61	-
(ii) Trade payables	22	-	-
Total outstanding dues of micro and small enterprises		71.36	3.75
Total outstanding dues of creditors other than micro and small enterprises		958.96	1,139.04
(iii) Other financial liabilities	23	275.41	386.56
b) Other current liabilities	24	141.49	160.26
c) Provisions	25	296.42	268.47
		1,744.25	1,958.08
Total Equity and Liabilities		8,242.08	8,172.42
Significant accounting policies	1		

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757

Kolkata, 05 June, 2020

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-
J. Kumar
Company Secretary &
EVP-Legal & Admin
ACS: 11159

Kolkata, 05 June, 2020

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

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

Statement of Profit and Loss

for the year ended 31st March 2020

		(Rs. in Crores)	
	Note No.	2019-20	2018-19
I) INCOME:			
Revenue from operations	26	9,856.66	10,588.31
Other income	27	63.94	38.50
Total income (I)		9,920.60	10,626.81
II) EXPENSES:			
Cost of materials consumed	28	6,519.80	6,988.58
Purchase of stock-in-trade		6.17	18.51
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(259.58)	(36.85)
Employee benefit expenses	30	666.40	637.66
Other expenses	33	1,558.89	1,569.07
Total Expenses (II)		8,491.68	9,176.97
III) EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION EXPENSES (I-II)		1,428.92	1,449.84
Finance costs	31	9.40	6.05
Depreciation and amortisation expenses	32	362.63	313.50
IV) INTEREST, DEPRECIATION AND AMORTISATION EXPENSES		372.03	319.55
V) PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)		1,056.89	1,130.29
VI) EXCEPTIONAL ITEMS	46	(21.70)	108.29
VII) PROFIT BEFORE TAX (V+VI)		1,035.19	1,238.58
VIII) TAX EXPENSES:	21		
1. Current tax [net of provision for earlier years Rs. 2.86 crs (PY: net of reversal of provision for earlier years Rs. 3.11 crs)]		280.92	358.42
2. Deferred tax		(71.24)	36.11
		209.68	394.53
IX) PROFIT FOR THE YEAR (VII-VIII)		825.51	844.05
X) OTHER COMPREHENSIVE INCOME (OCI)			
Other comprehensive Income not to be reclassified subsequently to profit or loss:			
a) Re-measurement gains/(losses) on defined benefit plans	36	(11.16)	2.94
Income tax effect		2.81	(1.02)
b) Net (loss)/ gain on investment in equity shares / units accounted at fair value		(11.47)	(3.82)
Income tax effect		2.04	1.47
Other Comprehensive Income for the year		(17.78)	(0.43)
XI) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)		807.73	843.62
Earnings per share - Basic and Diluted (Nominal value Re. 1 per share (PY Re. 1 per share))	34	9.71	9.93
Significant accounting policies	1		

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

Kolkata, 05 June, 2020

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-

J. Kumar

Company Secretary &

EVP-Legal & Admin

ACS: 11159

Kolkata, 05 June, 2020

Sd/-

A. K. Mukherjee

Director- Finance & CFO

DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Statement of Cash Flows

for the year ended 31st March 2020

	(Rs. in Crores)	
	2019-20	2018-19
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	1,035.19	1,238.58
Adjustment for:		
Depreciation and amortisation	362.63	313.50
Loss on property, plant and equipment sold / discarded (net)	2.07	0.34
Exceptional items	-	(108.29)
Dividend income	(37.15)	(17.86)
Rent income	(2.17)	(0.05)
Interest income	(5.73)	(3.81)
Gain on fair valuation of investments designated as FVTPL	(0.42)	(0.48)
Finance costs	9.40	6.05
Provision for expected credit loss / (write-back)	14.74	(4.09)
	343.37	185.31
Operating profit before working capital changes	1,378.56	1,423.89
(Increase)/decrease in trade receivables	251.08	(132.56)
(Increase) in inventories	(388.31)	(43.82)
(Increase) / decrease in other financial assets, loans and other assets	99.09	(13.14)
Increase/(decrease) in financial liabilities, other liabilities and provisions	(177.37)	142.73
	(215.51)	(46.79)
Cash generated from operations	1,163.05	1,377.10
Direct taxes paid (net of refunds and interest thereon)	(249.42)	(373.31)
Net cash generated from operating activities	913.63	1,003.79
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase and construction of property, plant and equipment (including intangible assets)	(465.98)	(676.08)
Proceeds from sale of property, plant and equipment	1.41	125.12
Acquisition of investment property	(18.09)	-
Investment in subsidiary	(84.60)	(176.27)
Investment in associates	(23.36)	-
Acquisition of investment in shares/units	(14.37)	(8.16)
Redemption of investment in shares/units	4.27	0.24
Purchase of investment of mutual fund units	(1,535.00)	(1,140.00)
Sale of investment of mutual fund units	1,770.00	1,090.00
Interest received	0.94	0.71
Rent received	2.17	0.05
Dividend received	37.74	18.78
Net cash used in investing activities	(324.87)	(765.61)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Dividends paid (including tax)	(498.61)	(245.94)
Payment of lease liabilities	(3.03)	-
Interest paid	(6.95)	(6.05)
Net cash used in financing activities	(508.59)	(251.99)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	80.17	(13.81)
Cash and cash equivalents - opening balance #	64.70	78.51
Cash and cash equivalents - closing balance #	144.87	64.70

as disclosed in Note 11

The aforesaid Statement of Cash Flows has been prepared under the indirect method as set out in IND AS 7- Statement of Cash Flow.

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-

J. Kumar

Company Secretary &

EVP-Legal & Admin

ACS: 11159

Sd/-

A. K. Mukherjee

Director- Finance & CFO

DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Kolkata, 05 June, 2020

Kolkata, 05 June, 2020

Statement of Changes in Equity

for the year ended 31st March 2020

A) EQUITY SHARE CAPITAL

		(Rs. in Crores)
	Number	Amount
Equity Shares of Re. 1 each issued, subscribed and fully paid		
Balance as at April 1, 2018	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	85,00,00,000	85.00

B) OTHER EQUITY

	Reserves and Surplus		OCI	(Rs. in Crores)
Particulars	Securities Premium	Retained earnings	Investments in equity shares / units at fair value	Total
Balance as at April 1, 2018	737.88	4,551.95	14.48	5,304.31
Profit for the year 2018-19	-	844.05	-	844.05
Re-Measurement gains/(losses) on defined benefit plans, net of tax	-	1.92	-	1.92
Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value, net of tax	-	-	(2.35)	(2.35)
	737.88	5,397.92	12.13	6,147.93
Adjustments				
Final Dividend for the year 2017-18 (Re. 0.80 per share)	-	(68.00)	-	(68.00)
Tax on Final Dividend for the year 2017-18	-	(13.98)	-	(13.98)
Payment of Interim dividend for the year 2018-19 (Rs. 1.60 per share)	-	(136.00)	-	(136.00)
Tax on interim dividend for the year 2018-19	-	(27.96)	-	(27.96)
Balance as at March 31, 2019	737.88	5,151.98	12.13	5,901.99
Profit for the year 2019-20	-	825.51	-	825.51
Re-Measurement gains/(losses) on defined benefit plans, net of tax	-	(8.35)	-	(8.35)
Net (Loss)/ gain on investment in equity shares / units accounted at Fair Value, net of tax	-	-	(9.43)	(9.43)
	737.88	5,969.14	2.70	6,709.72
Adjustments				
Final Dividend for the year 2018-19 (Re. 0.80 per share)	-	(68.00)	-	(68.00)
Tax on Final Dividend for the year 2018-19	-	(13.98)	-	(13.98)
Payment of 1st Interim dividend for the year 2019-20 (Rs. 1.60 per share)	-	(136.00)	-	(136.00)
Tax on 1st interim dividend for the year 2019-20	-	(26.47)	-	(26.47)
Payment of 2nd Interim dividend for the year 2019-20 (Rs. 2.50 per share)	-	(212.50)	-	(212.50)
Tax on 2nd interim dividend for the year 2019-20	-	(41.66)	-	(41.66)
Balance as at March 31, 2020	737.88	5,470.53	2.70	6,211.11

Description of the components of the other equity

Securities Premium

Premium received on equity shares issued are recognised in the securities premium.

Retained earnings

Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shareholders. It also includes remeasurement gain/loss of defined benefit plans.

Other Comprehensive Income (OCI)

Changes in fair value of equity instruments designated as FVOCI are recorded in other comprehensive income.

Significant accounting policies

1

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

Kolkata, 05 June, 2020

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-

J. Kumar

Company Secretary &

EVP-Legal & Admin

ACS: 11159

Kolkata, 05 June, 2020

Sd/-

A. K. Mukherjee

Director- Finance & CFO

DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Notes to Financial Statements

for the year ended 31st March 2020

CORPORATE INFORMATION

Exide Industries Limited (the company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. Its shares are listed on three recognised stock exchanges in India. The registered office of the company is located at Exide House, 59E Chowringhee Road, Kolkata, 700020. The Company is primarily engaged in the manufacturing of Storage Batteries and allied products in India.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 05 June 2020.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

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

- Certain financial assets and liabilities, which are measured at fair value
- Net defined benefit (asset)/ liability, which are measured at Fair Value of plan assets less present value of defined benefit obligations

1. SIGNIFICANT ACCOUNTING POLICIES

a. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of transition.

Refer Note 2a to the Financial Statements.

b. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Useful economic life
Land under finance lease	Lease period
Buildings	28.5 / 58.5 years
Plant and machinery (including electrical installation)	10/15 years
Moulds	8.5 years
Furniture and fittings	10 years
Office equipment	5 years
Vehicles	6 years
Computers	3 to 6 years

Notes to Financial Statements

for the year ended 31st March 2020

Based on technical assessment done by experts and management's estimate,

- (i) the useful life of factory buildings, other buildings, moulds and vehicles are different than those indicated in Schedule II to the Companies Act, 2013,
- (ii) residual value of plant & machinery including electrical installation, moulds and computers has been considered to be 2% of the cost. For buildings, office equipment, furniture & fittings and vehicles, residual value has been estimated at 5% of the cost.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions/(disposals) is provided on a pro-rate basis i.e. from/(upto) the date on which asset is ready for use/(disposed of).

Refer Note 32 to the Financial Statements.

c. Intangible assets and Amortisation

Acquired intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful lives are as follows:

Particular	Useful economic life
Computer Software / Trademark	5 years

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Research costs are expensed as incurred.

Refer Notes 3 and 32 to the Financial Statements.

d. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

e. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- (i) Raw materials and Components, Stores, Spares parts, loose tools etc: These are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
- (ii) Finished goods and work-in-progress: These are valued at lower of cost and net realisable

Notes to Financial Statements

for the year ended 31st March 2020

value. Cost includes an appropriate share of production overheads based on the normal operating capacity.

- (iii) Stock-in-trade: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to completion and the estimated costs necessary to sell them.

Refer Note 8 to the Financial Statements.

f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company depreciates investment properties over a period of 28.5 years on a straight-line basis, which is different from the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act.

Any gain or loss on disposal of an investment property is recognised in the Statement of Profit and Loss.

Refer Note 2b to the Financial Statements.

g. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation

at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Refer Notes 20 and 25 to the Financial Statements.

h. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Post-retirement benefits

Post-retirement benefits to employees can either be through defined contribution plans or defined benefit plans.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and pension schemes.

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company operates the following defined benefit plans:

- (a) Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund and
- (b) Post-retirement medical benefit plan which is unfunded.

Notes to Financial Statements

for the year ended 31st March 2020

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Pension liability is split into a defined benefit portion and a defined contribution portion. The part of the liability towards pension plan upto 31st March 2003 for employees as on that date is in the nature of defined benefit plan. From 1st April 2003, the pension remains as a defined contribution liability. The Defined benefit portion is provided for on the basis of an actuarial valuation done at the end of each financial year. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the employee renders the service.

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

(iii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-

employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gains or losses are recognised in profit or loss in the period in which they arise.

Refer Notes 20, 25, 30 and 36 to the Financial Statements.

i. Foreign Currency

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss.

Refer Note 27 to the Financial Statements.

j. Revenue Recognition

The Company earns revenue primarily from sale of batteries and HUPS.

Sale of products and rendering of services

At contract inception, Company assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products or services to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products or services.

The Company considers the terms of the contract and its customary business practices to determine

Notes to Financial Statements

for the year ended 31st March 2020

the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products and rendering of certain services revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods or services. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

Revenue from certain services are generated over a period of time, during which services are rendered based on contractual milestones. Revenue recognition takes place when a milestone is completed.

The Company recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Customer Loyalty programme

The Company has a customer loyalty programme for selected customers. The Company grants credit points to those customers as part of a sales transaction which allows them to accumulate and redeem those credit points.

The Company allocates a portion of the consideration received to loyalty points. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote.

The deferred revenue is included in contract liability.

Warranty

The Company provides only assurance types warranty in conjunction with sale of product and hence same is not considered as separate performance obligation.

Refer Notes 23, 24, 25, 26 and 33 to the Financial Statements.

k. Income Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable

Notes to Financial Statements

for the year ended 31st March 2020

entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

Refer Note 21 to the Financial Statements.

I. Leases

The Company as a lessee

The Company assesses whether a contract contains a lease as per the requirements of Ind AS 116 “Leases” at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset (“ROU”) and a lease liability at the lease commencement date, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset

is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight basis over the term of the relevant lease.

Transition

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified Ind AS 116 “Leases” which replaced the erstwhile lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and

Notes to Financial Statements

for the year ended 31st March 2020

disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

Refer Note 1(l) – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application.

There is no significant impact of transition to Ind AS 116 on the date of initial application.

Refer Notes 2b, 2c, 27, 31, 32, 33 and 44 to the financial statements.

m. Earnings per share

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

Refer Note 34 to the Financial Statements.

n. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Refer Note 37 to the Financial Statements.

o. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost; Fair value through other comprehensive income (FVOCI) – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the conditions and is not designated as at FVTPL: (i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity

Notes to Financial Statements

for the year ended 31st March 2020

investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The subsequent measurement of gains and losses of various categories of financial instruments are as follows:

- (i) Financial assets at amortised cost: these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- (ii) Equity investments at FVOCI: these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
- (iii) Financial assets at FVTPL: these assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in

profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities: The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial

Notes to Financial Statements

for the year ended 31st March 2020

recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

Refer Note 41 to the Financial Statements.

p. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does

not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

q. Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Refer Note 4 to the Financial Statements.

r. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

Refer Note 26 to the Financial Statements.

s. Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying

Notes to Financial Statements

for the year ended 31st March 2020

amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Refer Note 27 and Note 31 to the Financial Statements.

t. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

u. Earnings before interest, tax, depreciation and amortisation (EBITDA)

The Company presents EBITDA in the Statement of Profit or Loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ins AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statement when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standard.

Measurement of EBITDA

Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of Statement of Profit or Loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance cost and tax expenses.

1.1 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Notes to Financial Statements

for the year ended 31st March 2020

2 (a) PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Land under Finance lease	Buildings (including roads)	Plant and equipment (including electrical installation)	Moulds	Office Equipment	Furniture & fittings	Vehicles	Computers	Total
										(Rs. in Crores)
Gross carrying amount										
Balance as at April 1, 2018	33.56	73.47	411.58	1,714.10	233.48	13.59	5.01	2.39	23.39	2,510.57
Additions for the year 2018-19	20.57	0.17	82.88	467.40	66.50	2.91	0.77	0.24	11.87	653.31
Disposals / deductions for the year 2018-19	10.28	-	2.88	7.82	0.11	0.13	0.02	0.01	0.29	21.54
Balance as at March 31, 2019	43.85	73.64	491.58	2,173.68	299.87	16.37	5.76	2.62	34.97	3,142.34
Additions for the year 2019-20	6.71	-	40.54	288.74	29.35	5.26	0.76	0.63	8.08	380.07
Disposals / deductions for the year 2019-20	-	-	4.57	3.62	0.36	0.42	0.03	1.02	0.82	10.84
Reclassification to investment property	13.64	-	2.92	-	-	-	-	-	-	16.56
Balance as at March 31, 2020	36.92	73.64	524.63	2,458.80	328.86	21.21	6.49	2.23	42.23	3,495.01
Accumulated Depreciation										
Balance as at April 1, 2018	-	2.03	35.53	457.37	62.44	5.81	0.71	1.20	10.51	575.60
Depreciation for the year 2018-19	-	1.96	17.39	244.23	30.91	2.62	0.49	0.42	7.11	305.13
Disposals / deductions for the year 2018-19	-	-	0.19	3.77	0.08	0.10	0.01	0.01	0.20	4.36
Balance as at March 31, 2019	-	3.99	52.73	697.83	93.27	8.33	1.19	1.61	17.42	876.37
Depreciation for the year 2019-20	-	1.97	22.96	278.24	35.08	2.76	0.59	0.33	8.67	350.60
Disposals / deductions for the year 2019-20	-	-	4.15	1.46	0.05	0.32	0.02	0.77	0.60	7.37
Reclassification to investment property	-	-	0.07	-	-	-	-	-	-	0.07
Balance as at March 31, 2020	-	5.96	71.47	974.61	128.30	10.77	1.76	1.17	25.49	1,219.53
Carrying amount (net)										
Balance as at March 31, 2019	43.85	69.65	438.85	1,475.85	206.60	8.04	4.57	1.01	17.55	2,265.97
Balance as at March 31, 2020	36.92	67.68	453.16	1,484.19	200.56	10.44	4.73	1.06	16.74	2,275.48

- Conveyance / Lease deeds for certain immovable properties valued at Rs. 39.91 crs (PY: Rs. 41.31 crs) are pending execution.
- Buildings includes Rs. 0.10 crs (PY: Rs. 0.10 crs) being the cost of shares in respective Co-operative Housing Societies.
- Movement of capital work-in-progress:

	Opening Balance	Addition during the year	Capitalised	Closing Balance
2019-20	254.93	441.83	399.88	296.88
2018-19	233.50	674.21	652.78	254.93

Notes to Financial Statements

for the year ended 31st March 2020

2 (b) INVESTMENT PROPERTY

	(Rs. in Crores)
	Land and Building
Gross carrying amount	
Balance as at April 1, 2019	-
Reclassification from property, plant and equipment	16.56
Additions for the year 2019-20	18.09
Balance as at March 31, 2020	34.65
Accumulated depreciation	
Balance as at April 1, 2019	-
Reclassification from property, plant and equipment	0.07
Depreciation for the year 2019-20	0.35
Balance as at March 31, 2020	0.42
Carrying amount (net)	
Balance as at March 31, 2020	34.23
Fair value of the investment property	34.65

This pertains to land and building which has been leased to subsidiary, Exide Leclanche Energy Private Limited and therefore treated as Investment Property. The fair value of investment property has been determined by external independent valuers.

2 (c) RIGHT-OF-USE ASSET

	(Rs. in Crores)
	Plant and equipment
Gross carrying amount	
Balance as at April 01, 2019	-
Additions for the year 2019-20	28.58
Balance as at March 31, 2020	28.58
Accumulated depreciation	
Balance as at April 01, 2019	-
Depreciation for the year 2019-20	1.14
Balance as at March 31, 2020	1.14
Carrying amount (net)	
Balance as at March 31, 2020	27.44

Notes to Financial Statements

for the year ended 31st March 2020

3 GOODWILL AND OTHER INTANGIBLE ASSETS

	(Rs. in Crores)			
	Goodwill	Trade Mark	Computer Software	Total
Gross carrying amount				
Balance as at April 1, 2018	3.89	3.12	41.26	48.27
Additions for the year 2018-19	-	-	16.31	16.31
Disposals / deductions for the year 2018-19	-	-	-	-
Balance as at March 31, 2019	3.89	3.12	57.57	64.58
Additions for the year 2019-20	-	-	15.71	15.71
Disposals / deductions for the year 2019-20	-	-	-	-
Balance as at March 31, 2020	3.89	3.12	73.28	80.29
Accumulated amortisation & impairment losses				
Balance as at April 1, 2018	3.89	2.37	18.65	24.91
Amortisation for the year 2018-19	-	0.53	7.84	8.37
Balance as at March 31, 2019	3.89	2.90	26.49	33.28
Amortisation for the year 2019-20	-	0.22	10.32	10.54
Balance as at March 31, 2020	3.89	3.12	36.81	43.82
Carrying amount (net)				
Balance as at March 31, 2019	-	0.22	31.08	31.30
Balance as at March 31, 2020	-	-	36.47	36.47

4 NON-CURRENT INVESTMENTS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Investments at cost (unquoted)		
Equity Shares, Fully Paid Up		
In Subsidiary Companies		
Chloride International Limited of Rs. 10 each [4,50,000 shares (PY: 4,50,000 Shares)]	0.20	0.20
Chloride Power Systems and Solutions Limited of Rs. 10 each [19,80,000 shares (PY: 19,80,000 Shares)]	2.93	2.93
Chloride Metals Limited of Rs. 10 each [4,73,80,952 shares (PY: 4,73,80,952 shares)]	144.03	144.03
Chloride Batteries S.E.Asia Pte Limited of Singapore \$ 1 each [70,00,000 shares (PY: 70,00,000 shares)]	10.35	10.35
Espex Batteries Limited of GBP 1 each [1,02,000 shares (PY: 1,02,000 shares)]	0.78	0.78
Associated Battery Manufacturers (Ceylon) Ltd of Sri Lankan Rupees 10 each [38,96,640 shares (PY: 38,96,640 shares)]	7.31	7.31
Exide Life Insurance Company Limited of Rs. 10 each [185,00,00,000 shares (PY: 185,00,00,000 shares)]	1,679.59	1,679.59
Exide Leclanche Energy Private Limited of Rs. 10 each [7,65,30,920 shares (PY: 4,12,81,995 shares)]	125.88	41.28
In Associate Companies		
CSE Solar Sunpark Maharashtra Private Limited of Rs. 10 each [9,92,465 shares (PY: NIL)]	7.24	-
CSE Solar Sunpark Tamil Nadu Private Limited of Rs. 10 each [11,81,250 shares (PY: NIL)]	10.87	-
Greenyana Solar Private Limited of Rs. 10 each [5,83,333 shares (PY: NIL)]	5.25	-
Investments at amortised cost		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01

Notes to Financial Statements

for the year ended 31st March 2020

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Investments at fair value through OCI		
Debentures (fully paid up)		
Woodlands Multispeciality Hospital Limited		
1/2% Debentures of Rs. 100 each [20 debentures (PY: 20 debentures)]	-	- ^
5% Non-redeemable Registered Debentures of Rs. 6000 each (1 debenture (PY: 1 debenture))	-	- ^
UNITS (UNQUOTED)		
Fearing Capital India Evolving Fund of Rs. 1000 each [4,01,696 units (PY: 3,03,406 units)]	46.37	40.71
EQUITY SHARES (UNQUOTED)		
Haldia Integrated Development Agency Ltd of Rs. 10 each (5,00,000 shares [PY: 5,00,000 shares])	2.15	2.45
Suryadev Alloys of Rs. 10 each [5,80,000 shares (PY: 2,500 shares)]	1.76	0.03
EQUITY SHARES (QUOTED)		
Hathway Cable and Datacom Limited of Rs. 2 each [54,62,830 shares (PY: 54,62,830 shares)]	7.35	15.81
	2,052.07	1,945.48
(i) Aggregate book value of unquoted investments	2,044.72	1,929.67
(ii) Aggregate value of quoted investments and market value thereof	7.35	15.81
(iii) Refer Note 41 for information about fair value measurement and Note 42 for credit risk and market risk of investment		
(iv) ^ Figures being less than Rs. 50,000 in each case, has not been disclosed		

5 NON-CURRENT TRADE RECEIVABLES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Trade receivables, considered good - unsecured	0.10	0.18
	0.10	0.18

6 NON-CURRENT LOANS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
a) Loans to employees	0.01	-
b) Loans and advances to others	0.01	0.01
c) Security deposits	17.17	18.17
	17.19	18.18

7 OTHER NON-CURRENT ASSETS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(i) Unsecured, considered good		
a) Capital advances	40.58	41.16
b) Prepaid expenses	39.87	37.52
c) Balances and deposit with Government Authorities	17.55	17.10
(ii) Unsecured, considered doubtful		
a) Advances recoverable in cash or kind	1.79	2.04
b) Balances and deposit with Government Authorities	24.94	22.52
	124.73	120.34
Less: Provision for doubtful advances	26.73	24.55
	98.00	95.79

Notes to Financial Statements

for the year ended 31st March 2020

8 INVENTORIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(At lower of cost and net realisable value)		
a) Stores, spare parts, loose tools, etc.	46.33	43.37
b) Raw materials and components [Including in transit/ lying in bonded warehouse Rs. 176.08 crs (PY: Rs. 120.77 crs)]	577.40	451.64
c) Work-in-progress	707.76	530.04
d) Finished goods	854.28	773.68
e) Stock-in-trade	6.50	5.24
	2,192.27	1,803.97

- I. The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss and Note 33.
- II. The cost of inventories recognised as an expense includes Rs. 16.72 crs (PY: Rs. 12.00 crs) in respect of write downs of inventory.

9 CURRENT INVESTMENTS

	(Rs. in Crores)	
	No. of units March 31, 2020	No. of units March 31, 2019
Investments at fair value through profit & loss		
Units of Mutual Fund (Unquoted)		
Kotak Liquid - Direct Plan Daily Dividend Reinvestment of Rs. 1000 each	-	1,63,640 20.02
Franklin India Liquid Fund-Super Institutional plan-Direct-Daily Dividend Reinvestment of Rs. 1000 each	-	1,99,815 20.03
DSP Low Duration Fund -Regular Plan -Daily Dividend Reinvestment of Rs. 10 each	-	1,98,80,609 20.02
IDFC Ultra Short Term Fund -Daily Dividend Reinvestment - Direct Plan of Rs. 10 each	-	1,99,59,283 20.01
Aditya Birla Sunlife Liquid Fund-Direct Plan -Daily Dividend Reinvestment of Rs. 100 each	-	20,00,611 20.05
HDFC Liquid Fund-Direct plan-Daily Dividend Reinvestment of Rs. 1000 each	-	1,47,727 15.07
HDFC Ultra Short Term Fund -Regular- Daily Dividend Reinvestment of Rs. 10 each	-	50,04,881 5.03
HDFC Ultra Short Term Fund -Direct- Daily Dividend Reinvestment of Rs. 10 each	-	3,99,26,774 40.13
ICICI Prudential Liquid Fund -Direct plan- Daily Dividend Reinvestment of Rs. 100 each	-	20,06,129 20.09
LIC MF Liquid Fund -Direct Plan - Daily Dividend Reinvestment of Rs. 1000 each	-	45,576 5.00
Mahindra Liquid Fund-Direct - Daily Dividend Reinvestment of Rs. 1000 each	-	50,031 5.01
Yes Liquid Fund-Direct - Daily Dividend Reinvestment of Rs. 1000 each	-	1,50,541 15.07
Invesco India Liquid Fund-Direct - Daily Dividend Reinvestment of Rs. 1000 each	-	50,001 5.00

Notes to Financial Statements

for the year ended 31st March 2020

(Rs. in Crores)			
	No. of units	March 31, 2020	No. of units March 31, 2019
Tata Liquid Fund-Direct - Daily Dividend Reinvestment of Rs. 1000 each	-	-	49,965 5.00
BNP Paribas Liquid Fund-Direct - Daily Dividend Reinvestment of Rs. 1000 each	-	-	49,968 5.00
Axis Liquid Fund-Direct - Daily Dividend Reinvestment of Rs. 1000 each	-	-	1,50,360 15.05
DSP India Enhanced Equity Fund -Class B -of Rs. 100 each	5,00,000	8.71	5,00,000 8.30
		8.71	243.88
Units of Mutual Fund (Quoted)			
HDFC Cancer Cure Fund-Debt Plan of Rs. 10 each	1,00,00,000	10.02	1,00,00,000 10.03
		10.02	10.03
		18.73	253.91
Aggregate amount of quoted investment and market value thereof		10.02	10.03
Aggregate amount of unquoted investment		8.71	243.88

(i) Refer Note 41 for information about fair value measurement and Note 42 for credit risk and market risk of investment.

10 CURRENT TRADE RECEIVABLES (UNSECURED) (AT AMORTISED COST)

(Rs. in Crores)		
	March 31, 2020	March 31, 2019
Trade receivables, considered good - unsecured	835.65	1,086.65
Less: Loss allowance	20.35	5.61
Total	815.30	1,081.04

Refer Note no 39 for Related Party disclosure for trade receivables from related parties.

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in Note 42.

11 CASH AND CASH EQUIVALENTS

(Rs. in Crores)		
	March 31, 2020	March 31, 2019
a) Balances with banks on		
Current account	144.67	64.42
b) Cash in hand	0.20	0.28
	144.87	64.70

12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Rs. in Crores)		
	March 31, 2020	March 31, 2019
Unclaimed dividend account	9.72	8.85
	9.72	8.85

Notes to Financial Statements

for the year ended 31st March 2020

13 CURRENT LOANS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
a) Loans to employees	0.02	0.14
b) Security deposits - Others	14.96	13.84
	14.98	13.98

14 OTHER CURRENT FINANCIAL ASSETS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
a) Other receivables (rebates and discounts, etc.)	24.66	33.19
	24.66	33.19

15 OTHER CURRENT ASSETS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Other recoverables and advances*	43.39	19.25
b) Balances and deposit with Government Authorities	49.50	176.61
c) Prepaid expenses	26.08	16.47
	118.97	212.33

*includes export incentive receivables aggregating to Rs. 17.99 crs (PY: Rs. Nil)

16 SHARE CAPITAL

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Authorised		
100,00,00,000 (PY: 100,00,00,000) equity shares of Re. 1 each	100.00	100.00
	100.00	100.00
b) Issued, subscribed & fully paid-up		
85,00,00,000 (PY: 85,00,00,000) equity shares of Re. 1 each	85.00	85.00
	85.00	85.00
c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year		
Balance at the beginning and at the end of the year	85,00,00,000	85,00,00,000
d) Terms / rights attached to equity shares		
The company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share		
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.		

Notes to Financial Statements

for the year ended 31st March 2020

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
e) Shares held by holding company		
Name of shareholder		
Chloride Eastern Limited, UK (considered to be Holding company by virtue of de-facto control) 45.99% (PY: 45.99%)	39,09,54,666	39,09,54,666
f) Details of shareholders holding more than 5% shares in Company		
Name of shareholder	Number of Shares	
Chloride Eastern Limited, UK holding 45.99% (PY: 45.99%)	39,09,54,666	39,09,54,666
As per records of the company, including its register of shareholders / members and other declaration received from shareholders, the above shareholding represents legal ownership of shares.		

17 OTHER EQUITY

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Securities premium	737.88	737.88
Premium received on equity shares issued is recognised in the securities premium		
b) Retained earnings	5,470.53	5,151.98
Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shareholders. It also includes remeasurement gain/ loss of defined benefit plans.		
c) Items of Other Comprehensive Income		
- Fair value of equity instruments through OCI	2.70	12.13
Changes in fair value of equity instruments recorded in other comprehensive income		
	6,211.11	5,901.99

18 NON-CURRENT TRADE PAYABLES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Trade payable for goods & services		
Total outstanding dues of micro and small enterprises (refer Note 38)	-	-
Total outstanding dues of creditors other than micro and small enterprises	5.74	4.79
	5.74	4.79

19 OTHER NON-CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Payable for capital goods	2.95	2.26
	2.95	2.26

Notes to Financial Statements

for the year ended 31st March 2020

20 NON CURRENT PROVISIONS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Provision for employee benefits (refer note 36)		
Post retirement medical benefits	4.55	4.27
Gratuity	17.84	3.97
Pension	3.42	3.62
Compensated absences	36.44	31.92
Others		
Provision for site restoration liabilities	1.53	1.38
	63.78	45.16
Provision for site restoration liabilities		
A provision is recognised for site restoration liabilities on leasehold lands taken by the Company:		
Opening Balance	1.38	1.25
Add: Interest accrued on the provision during the year	0.15	0.13
Closing Balance	1.53	1.38

21 DEFERRED TAX LIABILITY (NET)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Deferred tax liabilities	136.22	212.06
Less: Deferred tax assets	34.36	36.92
	101.86	175.14

Movement in deferred tax liabilities / assets balances:

2019-20	April 01, 2019	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2020
Deferred tax liabilities:				
Arising out of temporary difference in depreciable assets	(207.30)	74.90	-	(132.40)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(4.76)	0.94	-	(3.82)
Deferred tax assets:				
On expenses allowable against taxable income in future years	35.50	(4.55)	-	30.95
On lease liabilities (net of right of use assets)	-	0.14	-	0.14
Unrealised loss on investment	0.92	(0.05)	2.04	2.91
Others	0.50	(0.14)	-	0.36
	(175.14)	71.24	2.04	(101.86)

Notes to Financial Statements

for the year ended 31st March 2020

2018-19	April 01, 2018	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2019
Deferred tax liabilities:				
Arising out of temporary difference in depreciable assets	(176.49)	(30.81)	-	(207.30)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(6.59)	1.83	-	(4.76)
Unrealised (gain) / loss on investment	(0.49)	(0.06)	1.47	0.92
Deferred tax assets:				
On expenses allowable against taxable income in future years	42.01	(6.51)	-	35.50
Others	1.06	(0.56)	-	0.50
	(140.50)	(36.11)	1.47	(175.14)

	2019-20		2018-19	
	Rate	Rs. in Crores	Rate	Rs. in Crores
Reconciliation of statutory rate of tax and effective rate of tax:				
At India's statutory income tax rate of 25.17% (PY: 34.94%)	25.17%	260.54	34.94%	432.81
Adjustments:				
Impact of reduction in corporate tax rate	-4.76%	(49.25)	-	-
Non-deductible expenses for tax purposes	0.40%	4.10	0.32%	3.97
Exempt income for tax purposes	-0.90%	(9.35)	-0.47%	(5.87)
Various allowances claimed under Income Tax Act, 1961	0.00%	-	-0.38%	(4.68)
Indexation benefit on sale of capital asset as per Income tax Act	0.00%	-	-1.98%	(24.58)
Impact of lower tax rate on certain items	0.00%	-	-0.39%	(4.77)
Others including Tax impact of earlier years	0.35%	3.64	-0.19%	(2.35)
Total tax expense	20.26%	209.68	31.85%	394.53

The Company has exercised the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, Company has recognised current tax expense for the year ended March 31, 2020 and remeasured its Deferred Tax Liabilities basis the rate prescribed in the said section.

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Breakup of tax expense is as follows:		
Current tax		
Current period	278.06	361.53
Prior period	2.86	(3.11)
Deferred tax		
Origination and reversal of temporary differences	(71.24)	36.11
Total tax expenses	209.68	394.53

Notes to Financial Statements

for the year ended 31st March 2020

22 TRADE PAYABLES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Trade payable for goods & services		
Total outstanding dues of micro and small enterprises (refer note no. 38)	71.36	3.75
Total outstanding dues of creditors other than micro and small enterprises	855.92	995.54
b) Acceptances	103.04	143.50
	1,030.32	1,142.79

Refer Note 42 for information about liquidity risk and market risk related to trade payables.

Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms.

For terms and conditions with related parties, refer to Note 39.

23 OTHER CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Unclaimed dividends (to be credited to Investor Education and Protection Fund as and when due)	9.72	8.85
b) Other payables -		
For selling and distribution costs	143.96	236.10
For capital goods	53.63	83.14
For other expenses *	68.10	58.47
	275.41	386.56

* other liabilities includes employee related liabilities aggregating to Rs. 62.55 crs (PY Rs. 54.84 crs)

- i. There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as March 31, 2020.
- ii. Other payables for selling and distribution costs represents outstanding liabilities for incentives and trade schemes, etc.

24 OTHER CURRENT LIABILITIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Taxes and duties payable	52.25	106.00
b) Advances from customers	29.90	18.22
c) Deferred revenue *	59.34	36.04
	141.49	160.26

* Deferred revenue relates to loyalty credit points granted to the customers as part of sales transactions and has been estimated with reference to the fair value of the products for which they could be redeemed.

25 CURRENT PROVISIONS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Provision for employee benefits (refer Note 36)		
Post retirement medical benefits	0.38	0.35
Compensated absences	2.20	2.62
b) Others		
Provision for warranty claims	239.65	211.31
Provision for litigation's and tax disputes	54.19	54.19
	296.42	268.47

Notes to Financial Statements

for the year ended 31st March 2020

25 CURRENT PROVISIONS (CONTD.)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Provisions for warranties		
A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. The table below gives information about movement in warranty provision:		
Opening balance	211.31	175.18
Add: Provision created during the year	269.64	261.98
Less: Utilised against warranty claims during the year	241.30	225.85
Closing balance	239.65	211.31
Provisions for litigations and tax disputes		
The management has estimated the provisions for pending litigation, claims and demands relating to indirect taxes based on its assessment of probability for these demands crystallising against the company in due course:		
Opening balance	54.19	54.19
Add: Provision created during the year	-	-
Closing balance	54.19	54.19

26 REVENUE FROM OPERATIONS

	(Rs. in Crores)	
	2019-20	2018-19
Sale of products	9,809.00	10,564.89
Other operating income		
Export incentive	33.75	8.46
Scrap sales	4.44	6.42
Income from service / installation	9.47	8.54
	9,856.66	10,588.31

(i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, GST etc.

Revenue disaggregation is as follows:

Disaggregation of product sold based on industry vertical and customers profile

	(Rs. in Crores)	
	2019-20	2018-19
Institutional sales	2,924.29	3,357.06
Non-institutional sales	6,898.62	7,222.79
	9,822.91	10,579.85

Disaggregation based on geography

	(Rs. in Crores)	
	2019-20	2018-19
India	9,161.67	9,902.56
Outside India	661.24	677.29
	9,822.91	10,579.85

Geographic location is based on the location of customers excluding export incentive.

Notes to Financial Statements

for the year ended 31st March 2020

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2020 and March 31, 2019.

Changes in deferred revenue are as follows:

	(Rs. in Crores)	
	2019-20	2018-19
Balance at the beginning of the year	36.04	62.32
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(33.20)	(22.41)
Other adjustments - settlement through credit notes	(2.84)	(28.62)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	59.34	24.75
Balance at the end of the year	59.34	36.04

Reconciliation of revenue recognised with the contracted price is as follows:

	(Rs. in Crores)	
	2019-20	2018-19
Contracted revenue	10,269.07	11,042.07
Reduction towards variable consideration components	(446.16)	(462.22)
Revenue recognised	9,822.91	10,579.85

The reduction towards variable consideration comprises of discounts, incentive etc.

Contract balances

	(Rs. in Crores)	
	2019-20	2018-19
Trade receivables	815.40	1,081.22
Contract liabilities	59.34	36.04
	756.06	1,045.18

27 OTHER INCOME

	(Rs. in Crores)	
	2019-20	2018-19
Interest Income on :		
Income tax refunds	4.79	3.10
Financial assets carried at amortised cost	0.94	0.71
Dividend Income on		
Long term Investments in subsidiaries	17.04	6.85
Current investments in mutual funds designated at FVTPL	20.11	11.01
Other non-operating income		
Gain on fair value of investments in mutual funds units designated at FVTPL	0.42	0.48
Net foreign exchange gain	11.88	9.13
Rental income from investment property	2.12	-
Others	6.64	7.22
	63.94	38.50

Notes to Financial Statements

for the year ended 31st March 2020

28 COST OF MATERIALS CONSUMED

	(Rs. in Crores)	
	2019-20	2018-19
Opening stock	451.64	454.82
Add: Purchases	6,645.56	6,985.40
	7,097.20	7,440.22
Less: Closing stock	577.40	451.64
	6,519.80	6,988.58

Cost of material consumed includes net proceeds from scrap battery.

29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	(Rs. in Crores)	
	2019-20	2018-19
Opening Stock		
Work-in-progress	530.04	466.60
Finished goods	773.68	792.96
Stock-in-trade	5.24	12.55
	1,308.96	1,272.11
	2019-20	2018-19
Closing Stock		
Work-in-progress	707.76	530.04
Finished goods	854.28	773.68
Stock-in-trade	6.50	5.24
	1,568.54	1,308.96
Net increase in inventories of finished goods, work-in-progress and stock-in-trade	(259.58)	(36.85)

30 EMPLOYEE BENEFIT EXPENSES

	(Rs. in Crores)	
	2019-20	2018-19
Salaries, wages and bonus	567.83	533.93
Contribution to provident and other funds (Refer Note 36)	34.08	32.80
Staff welfare expenses	64.49	70.93
	666.40	637.66

31 FINANCE COSTS

	(Rs. in Crores)	
	2019-20	2018-19
Interest expenses	6.95	6.05
Interest on lease liabilities	2.45	-
	9.40	6.05

Notes to Financial Statements

for the year ended 31st March 2020

32 DEPRECIATION AND AMORTISATION

	(Rs. in Crores)	
	2019-20	2018-19
Depreciation of property, plant and equipment	350.60	305.13
Amortisation of intangible assets	10.54	8.37
Depreciation of investment property	0.35	-
Depreciation of right-of-use asset	1.14	-
	362.63	313.50

33 OTHER EXPENSES

	(Rs. in Crores)	
	2019-20	2018-19
Stores and spare parts consumed	68.24	83.71
Power and fuel	331.59	332.57
Battery charging / battery assembly expenses	92.75	106.68
Repairs and maintenance		
Buildings	7.17	9.62
Plant & machinery	25.11	31.59
Others	2.16	2.00
Software expenses	39.65	12.99
Rent & hire charges	41.00	38.66
Rates and taxes	9.12	6.42
Insurance	8.56	9.30
Commission	1.13	3.88
Royalty and technical aid fees	53.37	53.21
Warranty expenses	269.64	261.98
Publicity and sales promotion	68.01	78.45
Freight & forwarding (net)	276.63	294.58
After sales services	68.11	67.09
Clearing and forwarding expenses	36.06	34.55
Travelling & conveyance	33.61	42.44
Bank charges	1.67	1.43
Communication costs	4.25	4.86
Donations	0.02	0.06
Directors' sitting fees	0.24	0.24
Loss on property, plant and equipment sold/discarded (net)	2.07	0.34
Auditors' remuneration:		
As Auditors *		
- For Statutory audit	0.49	0.49
- For Limited reviews	0.39	0.30
- For Others	0.05	0.05
As Tax auditors	0.07	0.07
Other services	0.09	0.02
Out of pocket expenses	0.10	0.09
Miscellaneous expenses (refer Note 33.1)	117.54	91.40
	1,558.89	1,569.07

Notes to Financial Statements

for the year ended 31st March 2020

33.1 Miscellaneous expenses

	(Rs. in Crores)	
	2019-20	2018-19
Motor vehicle running expenses	6.88	6.69
Consultancy & services outsourced	57.55	31.06
Security service charges	9.38	9.48
General expenses	1.07	1.11
Legal expenses	2.47	3.01
Printing & stationery	5.71	5.87
Total quality management expenses	0.10	0.86
Corporate social responsibility expenses	20.76	19.22
Pollution control expenses	4.96	4.89
Testing charges	1.55	0.65
Liquidated damages	0.11	0.64
Battery erection / installation costs	7.00	7.92
	117.54	91.40

The Company has spent Rs. 20.76 crs (PY: Rs. 19.22 crs) towards various schemes of Corporate Social Responsibility as prescribed under Sec. 135 of the Companies Act, 2013. The details are:

- I. Gross amount required to be spent by the Company during the year Rs. 20.49 crs (PY: Rs. 18.98 crs)
- II. Amount spent during the year on:

	(Rs. in Crores)	
Particulars	2019-20	2018-19
i) Construction/Acquisition of any asset	-	-
ii) For purposes other than (i) above	20.76	19.22
	20.76	19.22

34 EARNINGS PER SHARE (EPS)

	2019-20	2018-19
Details for calculation of basic and diluted earning per share:		
Profit after tax as per Statement of Profit and Loss (Rs. in Crores)	825.51	844.05
Weighted average number of equity share (Numbers)	85,00,00,000	85,00,00,000
Basic and diluted earning per share (Rs.)	9.71	9.93

Notes to Financial Statements

for the year ended 31st March 2020

35 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows:

(a) Estimation of uncertainty due to COVID-19 pandemic

The Company has considered the possible risk that may result from the pandemic relating to COVID-19 on the carrying amounts of assets including inventories, receivables, investments and other financial and non-financial assets. As per the assessment carried out by the management based on the internal and external information available upto the date of approval of these standalone financial statements, the Company does not foresee any uncertainty related to recoverability or liquidation of the aforesaid assets and also about the ability of the non-financial assets to generate future economic benefits.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(b) Employee benefit plans

The cost of the employment benefit plans and their present value are determined

using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 36.

(c) Fair value measurement of investments

The fair value of unquoted investments are determined using valuation methods which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 41.

(d) Revenue recognition and customer's loyalty programme

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

The Company estimates the fair value of points awarded under the incentive schemes based on past trend of similar incentive schemes and by applying a budgeted incentive pay-out rate. Inputs include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. Refer Notes 23 and 24 for further details.

(e) Warranty, Non discounting to warranty

The Company estimates the provision for warranty based on past trend of actual issues of batteries under warranty. As at 31 March 2020, the estimated liability towards warranty

Notes to Financial Statements

for the year ended 31st March 2020

amounted to Rs. 239.65 crs (PY: Rs. 211.30 crs).
For further details refer Note 25.

The provision towards warranty is not discounted as the management, based on past trend, expects to use the provision within twelve months after the Balance Sheet date.

(f) Provision for litigations and tax disputes

The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 25.

36 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

(Rs. in Crores)

	2019-20			2018-19		
	GRATUITY	PENSION Plan (Benefit)	PRMB	GRATUITY	PENSION Plan (Benefit)	PRMB
I Expenses recognised in the statement of Profit & Loss						
1. Current / past service cost	7.39	-	0.04	7.09	-	0.03
2. Interest cost	6.95	0.27	0.35	6.32	0.29	0.33
3. Expected return on plan assets	(6.82)	(0.03)	-	(6.04)	(0.04)	-
4. Past service cost - plan amendments	-	-	-	-	-	-
5. Total	7.52	0.24	0.39	7.37	0.25	0.36
Expenses recognised in OCI						
6. Actuarial (Gains) / Losses	10.73	0.29	0.14	(2.47)	(0.14)	(0.33)
7. Total Expense	18.25	0.53	0.53	4.90	0.11	0.03
II Net Asset / (Liability) recognised in the Balance Sheet						
1. Present Value of Defined Benefit Obligation	112.88	3.85	4.94	97.25	4.02	4.62
2. Fair Value of Plan Assets	95.04	0.43	-	93.28	0.40	-
3. Net Asset / (Liability)	(17.84)	(3.42)	(4.94)	(3.97)	(3.62)	(4.62)
III Change in Obligation during the year						
1. Present Value of Defined Benefit Obligation at the beginning of the year	97.25	4.02	4.62	94.11	4.43	4.86
2. Current Service Cost / Plan amendments	7.39	-	0.04	7.09	-	0.03
3. Interest Cost	6.95	0.27	0.35	6.32	0.29	0.33
4. Benefits Paid	(9.05)	(0.73)	(0.21)	(7.67)	(0.56)	(0.27)
5. Actuarial (Gains) / Losses						
Arising from changes in experience	3.35	0.21	(0.18)	1.26	(0.09)	(0.13)
Arising from changes in demographic assumptions	-	-	-	-	-	-
Arising from changes in financial assumptions	6.99	0.08	0.32	(3.86)	(0.05)	(0.20)
Total	10.34	0.29	0.14	(2.60)	(0.14)	(0.33)
6. Present Value of Defined Benefit Obligation at the end of the year	112.88	3.85	4.94	97.25	4.02	4.62

Notes to Financial Statements

for the year ended 31st March 2020

(Rs. in Crores)						
	2019-20			2018-19		
	GRATUITY	PENSION Plan (Benefit)	PRMB	GRATUITY	PENSION Plan (Benefit)	PRMB
IV Change in the Fair Value of Plan Assets during the year						
1. Plan assets at the beginning of the year	93.28	0.40	-	85.33	0.92	-
2. Expected return on plan assets	6.82	0.03	-	6.04	0.04	-
3. Contribution by employer	4.38	0.73	-	9.71	-	-
4. Transfers	-	-	-	-	-	-
5. Actual Benefits Paid	(9.05)	(0.73)	-	(7.67)	(0.56)	-
6. Actuarial Gains / (losses)	(0.39)	-	-	(0.13)	-	-
7. Plan assets at the end of the year	95.04	0.43	-	93.28	0.40	-
8. Actual return on Plan Assets	6.43	0.03	-	5.91	0.04	-
V The major categories of plan assets as a percentage of the fair value of total plan assets						
Investments with insurer	100%	100%	-	100%	100%	-
VI Maturity profile of the defined benefit obligation						
Weighted average duration of the defined benefit obligation	6 & 9 years	3 years	9 years	5 & 8 years	4 years	9 years
Expected benefit payments for the year ending						
Not later than 1 year	6.38	0.69	0.38	6.93	0.78	0.36
Later than 1 year and not later than 5 years	45.30	2.69	1.69	40.84	2.62	1.76
More than 5 years	69.06	1.09	2.14	62.02	1.44	2.12

VII Actuarial Assumptions

1. Discount Rate	6.7 % p.a (March 31, 2019: 7.5% p.a.)
2. Mortality pre retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult.
3. Mortality post retirement	LIC (1996-98) Ultimate
4. Employee turnover rate	2% (March 31, 2019: 2%)
5. Expected increase in salary	
- executive staff	10 % p.a (March 31, 2019: 10% p.a.)
- other management staff	8 % p.a (March 31, 2019: 8% p.a.)
- non-management staff	5 % p.a (March 31, 2019: 5% p.a.)

VIII In 2020-21 the Company expects to contribute Rs. 18.00 crs (2019-20: Rs. 4.00 crs) to gratuity and Rs. 3.40 crs (2019-20: Rs. 3.60 crs) to Pension funds.

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

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

Notes to Financial Statements

for the year ended 31st March 2020

XI The Company makes contribution to provident fund, superannuation fund and employees' state insurance schemes, which are defined contribution plans. Total contribution to the aforesaid funds during the year aggregated to Rs. 25.93 crs (2018-19 - Rs. 25.20 crs).

XII Net asset / (liability) recognised in the Balance Sheet and experience actuarial (gain) / loss on plan assets and liabilities

(Rs. in Crores)		
	2019-20	2018-19
1 Gratuity		
Defined Benefit Obligation	112.88	97.25
Plan Assets	95.04	93.28
Surplus / (deficit)	(17.84)	(3.97)
Experience (Gain) / loss adjustments on plan liabilities	3.35	1.26
Experience Gain / (loss) adjustments on plan assets	(0.39)	(0.13)
2 Pension		
Defined Benefit Obligation	3.85	4.02
Plan Assets	0.43	0.40
Surplus / (deficit)	(3.42)	(3.62)
Experience (Gain)/loss adjustments on plan liabilities	0.21	(0.09)
Experience Gain/(loss) adjustments on plan assets	-	-
3 Post Retirement Medical Benefit		
Defined Benefit Obligation	4.94	4.62
Experience Gain / (loss) adjustments on plan liabilities	(0.18)	(0.13)

XIII The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

(Rs. in Crores)				
	March 31, 2020		March 31, 2019	
	Discount rate (a)		Discount rate (a)	
Assumptions				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on retiral benefit	(9.13)	10.48	(7.42)	8.51
Assumptions				
	Future salary increases (b)		Future salary increases (b)	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on retiral benefit	9.46	(8.51)	7.75	(6.94)

(a) Based on interest rates of government bonds

(b) Based on managements estimate

Notes to Financial Statements

for the year ended 31st March 2020

37 COMMITMENTS AND CONTINGENCIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(i) Capital and other commitments		
Commitment for acquisition of fixed assets	494.64	856.28
Commitment for investment	9.85	22.48
	504.49	878.76
(ii) Contingent Liabilities		
Guarantees excluding financial guarantees		
Outstanding Bank Guarantees / Indemnity Bonds	41.08	31.48
Claims against the company not acknowledged as debt		
Sales Tax demands	5.73	27.85
Excise Duty demands	4.82	39.37
Income Tax demands	3.05	9.92
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	54.68	108.62

38 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

	(Rs. in Crores)	
	2019-20	2018-19
Principal and interest amount remaining unpaid		
- Principal	71.36	3.75
- Interest	-	-
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	0.14	0.14

Notes to Financial Statements

for the year ended 31st March 2020

39 RELATED PARTY DISCLOSURE

i) Particulars of related parties :

A. Where control exists

1. Subsidiaries

Chloride Batteries S.E. Asia Pte. Limited, Singapore (CBSEA)
Chloride International Limited (CIL)
Chloride Power Systems and Solutions Limited (CPSSL)
Espex Batteries Limited, UK (Espex)
Associated Battery Manufacturers (Ceylon) Ltd , Sri Lanka (ABML)
Chloride Metals Limited (CML)
Exide Life Insurance Company Limited (ELI)
Exide Leclanche Energy Private Limited (ELEPL)
Chloride Eastern Limited, UK. (CEL)
Chloride Eastern Industries Pte Limited, Singapore (CEIL)
LIEC Holdings SA, Switzerland
Mr. S. B. Raheja

2. Enterprise / Individuals having a direct or indirect control over the Company

B. Where significant influence exists

Associates

CSE Solar Sunpark Maharashtra Private Limited (CSSMPL)
CSE Solar Sunpark Tamil Nadu Private Limited (CSSTPL)
Greenyana Solar Private Limited (GSPL)

C. Others

1. Key Management Personnel (As on March 31, 2020)

Mr. Bharat D. Shah, Director
Mr. R. B. Raheja, Director
Mr. G Chatterjee, Whole Time Director
Mr. Subir Chakraborty, Whole Time Director
Mr. Nawshir H. Mirza, Director
Mr. Vijay Agarwal, Director (upto August 3, 2019)
Mr. Sudhir Chand, Director
Ms. Mona N. Desai, Director
Mr. Surin S. Kapadia, Director
Mr. A K Mukherjee, Whole Time Director
Mr. Arun Mittal, Whole Time Director
Mr. Jitendra Kumar, Company Secretary

2. Name of the Entities in which individuals with direct/indirect control over the Company have significant influence or is a member of Key Managerial Personnel with whom transactions have happened during the year.

Shalini Construction Company Private Limited (Shalini Construction)
Peninsula Estates Private Limited (Peninsula Estates)
Raheja QBE General Insurance Company Limited (Raheja QBE)

3. Employees Trusts where there is significant influence:

Chloride Officer's Provident Fund (COPF)

Notes to Financial Statements

for the year ended 31st March 2020

39 RELATED PARTY DISCLOSURE (CONTINUED)

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

Particulars	(Rs. in Crores)						
	Subsidiaries	Enterprise/ Individuals having direct or indirect control	Entities in which Individuals with direct/ indirect control over the Group have significant influence or is a member of Key Managerial Personnel	Associate Company	Key Management Personnel	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Purchases of goods/Capital assets							
CML	2,339.28	-	-	-	-	-	2,339.28
	(2,428.39)	-	-	-	-	-	(2,428.39)
CPSSL	15.28	-	-	-	-	-	15.28
	(28.65)	-	-	-	-	-	(28.65)
ESPEX	0.03	-	-	-	-	-	0.03
	-	-	-	-	-	-	-
ELEPL	1.61	-	-	-	-	-	1.61
	-	-	-	-	-	-	-
Total	2,356.20	-	-	-	-	-	2,356.20
	(2,457.04)	-	-	-	-	-	(2,457.04)
Sale of goods							
CBSEA	41.12	-	-	-	-	-	41.12
	(61.75)	-	-	-	-	-	(61.75)
CPSSL	24.68	-	-	-	-	-	24.68
	(37.33)	-	-	-	-	-	(37.33)
ESPEX	53.20	-	-	-	-	-	53.20
	(58.50)	-	-	-	-	-	(58.50)
CML	470.63	-	-	-	-	-	470.63
	(539.08)	-	-	-	-	-	(539.08)
ABML	5.40	-	-	-	-	-	5.40
	(0.16)	-	-	-	-	-	(0.16)
ELEPL	0.13	-	-	-	-	-	0.13
	-	-	-	-	-	-	-
Total	595.16	-	-	-	-	-	595.16
	(696.82)	-	-	-	-	-	(696.82)

Notes to Financial Statements

for the year ended 31st March 2020

Particulars	(Rs. in Crores)						
	Subsidiaries	Enterprise/ Individuals having direct or indirect control	Entities in which Individuals with direct/ indirect control over the Group have significant influence or is a member of Key Managerial Personnel	Associate Company	Key Management Personnel	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Dividend Income							
ABML	-	-	-	-	-	-	-
	(1.06)	-	-	-	-	-	(1.06)
CML	9.48	-	-	-	-	-	9.48
	(4.74)	-	-	-	-	-	(4.74)
CIL	7.56	-	-	-	-	-	7.56
	(0.36)	-	-	-	-	-	(0.36)
CPSSL	-	-	-	-	-	-	-
	(0.69)	-	-	-	-	-	(0.69)
Total	17.04	-	-	-	-	-	17.04
	6.85	-	-	-	-	-	(6.85)
Technical Assistance Expenses							
CEIL	-	0.13	-	-	-	-	0.13
	-	(0.13)	-	-	-	-	(0.13)
Technical Assistance Income							
ABML	0.46	-	-	-	-	-	0.46
	(0.40)	-	-	-	-	-	(0.40)
Marketing Expenses							
CBSEA	1.97	-	-	-	-	-	1.97
	(0.71)	-	-	-	-	-	(0.71)
ESPEX	0.28	-	-	-	-	-	0.28
	(0.09)	-	-	-	-	-	(0.09)
Total	2.25	-	-	-	-	-	2.25
	(0.80)	-	-	-	-	-	(0.80)
Contributions to employees benefit plans							
COPF	-	-	-	-	-	22.12	22.12
	-	-	-	-	-	(20.40)	(20.40)
Rental Income							
CPSSL	0.06	-	-	-	-	-	0.06
	(0.05)	-	-	-	-	-	(0.05)
Lease Rental Received							
ELEPL	2.51	-	-	-	-	-	2.51
	-	-	-	-	-	-	-

Notes to Financial Statements

for the year ended 31st March 2020

Particulars	(Rs. in Crores)						
	Subsidiaries	Enterprise/ Individuals having direct or indirect control	Entities in which Individuals with direct/ indirect control over the Group have significant influence or is a member of Key Managerial Personnel	Associate Company	Key Management Personnel	Employees Trust	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Sale of Assets							
CML	0.08	-	-	-	-	-	0.08
	-	-	-	-	-	-	-
ABML	0.17	-	-	-	-	-	0.17
	-	-	-	-	-	-	-
ELEPL	-	-	-	-	-	-	-
	(5.74)	-	-	-	-	-	(5.74)
Total	0.25	-	-	-	-	-	0.25
	(5.74)	-	-	-	-	-	(5.74)
Services rendered							
ELEPL	-	-	-	-	-	-	-
	(8.33)	-	-	-	-	-	(8.33)
Remuneration *							
Short term employee benefits (including commission and sitting fees)	-	-	-	-	11.76	-	11.76
	-	-	-	-	(11.57)	-	(11.57)
Post retirement benefits	-	-	-	-	1.55	-	1.55
	-	-	-	-	(1.45)	-	(1.45)
Total	-	-	-	-	13.31	-	13.31
	-	-	-	-	(13.02)	-	(13.02)

* Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.
Transaction amount disclosed above are inclusive of tax, wherever applicable
figures for the previous year are in brackets

Notes to Financial Statements

for the year ended 31st March 2020

39 RELATED PARTY DISCLOSURE (CONTINUED)**iii) Details of amounts due to or due from related parties as at March 31, 2020 and March 31, 2019 are as follows:**

(Rs. in Crores)		
Particulars	As at March 31, 2020	As at March 31, 2019
Amounts due to or due from Subsidiaries Trade Payables		
CML	9.33	141.49
CPSSL	-	4.87
ELEPL	1.61	-
Trade Receivables		
CBSEA	8.68	14.24
CPSSL	29.37	29.21
CML	11.08	-
ELEPL	0.11	-
ESPEX	16.48	29.76
ABML	4.26	0.16
Advance paid		
CPSSL	1.49	-
Dividend Receivable		
ABML	0.98	0.98
Technical Assistance Income Receivables		
ABML	0.46	0.40
Lease Rental Receivables		
ELEPL	0.28	-
Marketing Expenses Payables		
CBSEA	0.43	0.17
ESPEX	0.02	0.02
Contributions to employees benefit plans payables		
COPF	1.86	1.71
Amounts due to Key Managerial Personnel		
Remuneration to Directors (Short term employee benefits)	5.91	6.83

Notes : (1) Final dividend amounting to Rs. 31.28 crs was paid for the year 2018-19 (Rs. 31.28 crs for the year 2017-18) and Rs. 160.29 crs towards Interim Dividend for 2019-20 (Rs. 62.55 crs for Interim Dividend 2018-19) to Chloride Eastern Limited, UK.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (PY: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Financial Statements

for the year ended 31st March 2020

40 SEGMENT REPORTING

The Company has identified two operating segments viz, Automotive and Industrial. As per Ind AS - 108, due to similar nature of products, production process, customer types, etc., the two operating segments have been aggregated as single operating segment of "storage batteries and allied products" during the year. The analysis of geographical segments is based on the areas in which customers of the Company are located.

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)		
	2019-20		
	India	Overseas	Total
Revenue from operations	9,161.67	694.99	9,856.66
Non-current assets other than financial assets and Income tax assets	2,768.50	-	2,768.50

Particulars	(Rs. in Crores)		
	2018-19		
	India	Overseas	Total
Revenue from operations	9,911.02	677.29	10,588.31
Non-current assets other than financial assets and Income tax assets	2,647.99	-	2,647.99

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

41 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values of assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Notes to Financial Statements

for the year ended 31st March 2020

41 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)**B. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at 31 March 2020:

							(Rs. in Crores)			
		Carrying amount				Fair value				
	Note	FVTPL	Other financial assets - amortised cost *	FVOCI	Other financial liabilities *	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments - in mutual funds	9	18.73	-	-	-	18.73	10.02	8.71	-	18.73
Investments - in equity instruments	4	-	0.01	57.63	-	57.64	7.35	46.37	3.92	57.64
		18.73	0.01	57.63	-	76.37				
Financial assets not measured at fair value										
Trade receivables	5 & 10	-	815.40	-	-	815.40				
Cash and cash equivalents (a)	11	-	144.87	-	-	144.87				
Bank Balances other than (a) above	12	-	9.72	-	-	9.72				
Loans	6 & 13	-	32.17	-	-	32.17				
Other financial assets	14	-	24.66	-	-	24.66				
		-	1,026.82	-	-	1,026.82				
Financial liabilities not measured at fair value										
Trade payables	18 & 22	-	-	-	1,036.06	1,036.06				
Other financial liabilities	19 & 23	-	-	-	278.36	278.36				
Lease liabilities		-	-	-	28.00	28.00				
		-	-	-	1,342.42	1,342.42				

* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their face value

Notes to Financial Statements

for the year ended 31st March 2020

41 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

B. Accounting classifications and fair values (CONTD.)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at 31 March 2019:

	Carrying amount					Fair value				(Rs. in Crores)
	FVTPL	Other financial assets - amortised cost *	FVOCI	Other financial liabilities *	Total carrying amount	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value										
Investments - in mutual funds	9	253.91	-	-	-	10.03	243.88	-	253.91	
Investments - in equity instruments	4	-	0.01	59.00	-	15.81	40.72	2.48	59.01	
		253.91	0.01	59.00	312.92					
Financial assets not measured at fair value										
Trade receivables	5 & 10	-	1,081.22	-	-					
Cash and cash equivalents (a)	11	-	64.70	-	-					
Bank Balances other than (a) above	12	-	8.85	-	-					
Loans and deposits	6 & 13	-	32.16	-	-					
Other financial assets	14	-	33.19	-	-					
		-	1,220.12	-	1,220.12					
Financial liabilities not measured at fair value										
Trade payables	18 & 22	-	-	-	1,147.58					
Other financial liabilities	19 & 23	-	-	-	388.82					
		-	-	-	1,536.40					

* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

The fair value of investments in unquoted mutual funds and units of venture capital funds (categorised under Level 2 fair value hierarchy) is determined by reference to quotes from the financial institutions i.e. Net asset value (NAV) for investments in mutual funds/units of venture capital funds as declared by such financial institutions.

The fair value of equity securities designated as Fair value through other comprehensive income is determined using Level 3 inputs like discounted cash flows, net asset value approach. Significant unobservable inputs comprise long term growth rates, market conditions of the specific industry etc. However, the changes in the fair values due to changes in unobservable inputs will not be material to the financial statements.

Notes to Financial Statements

for the year ended 31st March 2020

42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities comprise short-term borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents and investment.

The Company has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company. The Board of Directors also review these risks and related risk management policy.

The market risks and credit risks are further explained below:

(I) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTOCI investments, trade payables, trade receivables, etc.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are not hedged by the Company. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Changes in rate	Foreign currency Payable (net)	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2020	5%	78.92	(3.95)
	-5%		3.95
March 31, 2019	5%	1.79	(0.09)
	-5%		0.09

(ii) Securities price risk

The Company's securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the securities price risk through diversification and by placing limits on individual and total securities. Reports on the investment portfolio are submitted to the Company's management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions.

Notes to Financial Statements

for the year ended 31st March 2020

Securities price sensitivity

The following table shows the effect of price changes in securities

	Changes in fair value	Investment	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2020	5%	18.73	0.94
	-5%		(0.94)
March 31, 2019	5%	25.84	1.29
	-5%		(1.29)

(iii) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activity is manufacturing of batteries and therefore requires supply of lead. Due to significant volatility in the lead price, the Company enters into purchase contract with vendors wherein the prices are linked to the quoted London Metal Exchange rates. Similarly, the Company's selling price of batteries to OEM/institutional customers is linked to such rates. As the Company's revenue is linked to cost of lead, the impact of change in lead prices on Company's profit is not expected to be significant.

II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). The maximum exposure to credit risk is equal to the carrying value of financial assets.

Trade receivables

A significant part of the Company's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 5 and Note 10 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

The Company's exposure to credit risk for trade receivables and loans by geographic region is as follows:

	(Rs. in Crores)	
	Carrying Amount	
	March 31, 2020	March 31, 2019
India	734.67	955.93
Outside India	80.73	125.29
	815.40	1,081.22

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

Notes to Financial Statements

for the year ended 31st March 2020

The movement of the allowance for impairment in trade receivables is as follows:

	(Rs. in Crores)	
	Expected credit loss	
	March 31, 2020	March 31, 2019
Opening Balance	5.61	9.70
Add: Provisions	14.74	-
Less: Reversals	-	4.09
Closing Balance	20.35	5.61

III) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March 2020 and 31 March 2019. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

March 31, 2020

Particulars	(Rs. in Crores)		
	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Trade payables	1,030.32	5.74	1,036.06
Other financial liabilities	275.41	2.95	278.36
	1,305.73	8.69	1,314.42

The maturity analysis of the Company's lease liabilities based on contractually agreed undiscounted cash flows is given in Note 44.

March 31, 2019

Particulars	(Rs. in Crores)		
	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Trade payables	1,142.79	4.79	1,147.58
Other financial liabilities	386.56	2.26	388.82
	1,529.35	7.05	1,536.40

Notes to Financial Statements

for the year ended 31st March 2020

43 CAPITAL MANAGEMENT

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

44 LEASES

A. Leases as lessor

The Company leases out its investment property in the nature of land and building. The Company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 2b sets out information about the operating leases of investment property.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Period	(Rs. in Crores)
	March 31, 2020
Less than one year	2.83
One to two years	2.83
Two to three years	2.83
Three to four years	2.83
Four to five years	2.83
More than five years	8.50
	22.65

B. Leases as lessee

i Short-term / Low-value leases

The Company leases warehouses, office premises and guest houses which are considered to be short-term leases. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

The Company leases office and IT equipment which are of low-value. The Company has elected not to recognise right-of-use assets and lease liabilities for the same.

Expenses pertaining to the above short-term and low-value leases recognised in the Statement of Profit and Loss is as follows:

Particulars	(Rs. in Crores)
	March 31, 2020
Expenses relating to short-term leases	41.00
Expenses relating to leases of low-value assets excluding short-term leases of low value	0.90
	41.90
Total cash outflow for leases	44.93

Lease payments for short-term leases and leases of low-value assets not included in the measurement of the lease liability are classified as cash flows from operating activities.

Notes to Financial Statements

for the year ended 31st March 2020

- ii Right-of-use and lease liabilities recognised in the financial statements represents the Company's lease of solar power plant facilities for obtaining solar power in its factories. The lease is for a period of 25 years. The consideration for use of solar power plant is variable based on the electricity units generated by the plants and consumed by the Company. Lease liability has been recognised for the minimum guaranteed payment, as set out in the respective power purchase agreements. The future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities pertaining to variable payments for such power purchase agreements are not expected to be significant.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

		(Rs. in Crores)
Particulars		March 31, 2020
Less than one year		3.00
Between one year and five years		11.71
More than 5 years		48.99
		63.70

- iii. Future cash outflows for leases not yet commenced to which the lessee is committed and potentially exposed **715.83**

The above commitment amount to which the Company is potentially exposed is against the power purchase agreements entered into by the Company with different vendors for obtaining solar power at its various factories.

iv. Reconciliation of liabilities from financing activities

		(Rs. in Crores)
Particulars		March 31, 2020
Balance as at April 1, 2019		
Lease liability recognised during the year		28.58
Interest expenses recognised during the year		2.45
Lease payments reflected in Statement of Cash Flow		(3.03)
Balance as at March 31, 2020		28.00

45 LIST OF SUBSIDIARIES AND ASSOCIATES OF THE COMPANY

The Company has following subsidiaries and associates which are accounted at cost in these standalone financial statements of the Company:

Name	Principal place of business	% of ownership interest as on March 31, 2020
Subsidiaries		
Chloride International Limited (CIL)	India	100
Chloride Power Systems and Solutions Limited (CPSSL)	India	100
Chloride Batteries S. E. Asia Pte. Limited (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100
Espex Batteries Limited (ESPEX)	UK	100
Associated Battery Manufacturers (Ceylon) Limited (ABML)	Sri Lanka	61.50
Chloride Metals Limited (CML)	India	100

Notes to Financial Statements

for the year ended 31st March 2020

Name	Principal place of business	% of ownership interest as on March 31, 2020
Exide Life Insurance Company Limited (ELI)	India	100
Exide Leclanche Energy Private Limited (ELEPL)	India	74.99
Associates		
CSE Solar Sunpark Maharashtra Private Limited	India	27.20
CSE Solar Sunpark Tamil Nadu Private Limited	India	27.20
Greenyana Solar Private Limited	India	27.20

- 46** Exceptional Item for current year represents the duty/tax paid under the Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 and for previous year represents profit on sale of property at Guindy, Tamil Nadu.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

Kolkata, 05 June, 2020

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-

J. Kumar

Company Secretary &

EVP-Legal & Admin

ACS: 11159

Kolkata, 05 June, 2020

Sd/-

A. K. Mukherjee

Director- Finance & CFO

DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Independent Auditors' Report

To the Members of Exide Industries Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Exide Industries Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated balance sheet as at 31 March 2020 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further

described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

EMPHASIS OF MATTER

The auditors of Exide Life Insurance Company Limited ("ELI"), a subsidiary, have reported that attention is drawn to Note 45(a)(i) of the consolidated financial statements, which explains uncertainties and the Management's assessment of the financial impact including valuation of assets, liabilities and solvency due to the lockdown and the other restrictions imposed by the Government and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Provision for warranties

See note 33 and 43 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group provides warranty for sale of its products. The estimation of costs (of repairing and replacing the product which is ascertained to be faulty) in respect of future warranty claims requires application of significant judgement.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: <ul style="list-style-type: none"> Assessed the appropriateness of accounting policy for provision of warranties as per relevant accounting standard;

The key audit matter	How the matter was addressed in our audit
<p>The provision for warranty is computed based on sales volume and historical information about product failures (and consequential repairs and returns), adjusted for the key developments occurring during the year which may affect the liability.</p> <p>Given the significant level of judgement involved in making the above estimate and its quantitative significance, we have determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> Tested the design, implementation and operating effectiveness of key controls associated with the process of computation of the provision for warranties; Evaluated the warranty provision model. This included evaluation of the reasonableness of the relevant assumptions, the relevance and reliability of underlying data (including cost of repairs and returns); Performed retrospective review of the management estimate by comparing costs incurred during the current financial year to the previously recognised corresponding provision. We also considered the existence of any indicators of significant product defect occurring during the year and subsequent to the year-end that would significantly affect the estimates of the year end warranty provision.

Incentives under customer loyalty programmes

See note 31, 32 and 35 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Group gives incentives to its dealers through customer loyalty programmes.</p> <p>Due to the multitude of schemes and a large variety of contractual terms across various markets of the Group, the estimation of these incentives is complex and involves significant judgement. The amount of such incentive is also significant.</p> <p>In view of the above, we determined this matter to be a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> Evaluated the appropriateness of the Group's accounting policy relating to the incentives provided under the customer loyalty programme; Tested the design, implementation and operating effectiveness of the Group's controls over computation of incentives and payout against the corresponding liability; Evaluated the model used for estimating the liability including the relevance and reliability of underlying historical data, developments during the year and assumptions used; Performed retrospective review of the management's estimate by comparing utilisation of incentives with previously recognised corresponding liability. We also considered the developments during the year and subsequent to the year-end (including the impact of COVID 19) that would significantly affect the measurement of the year end incentive liability.

Valuation and impairment of investments (Reported by the auditor of ELI)

See note 5, 11 and 43 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The investment portfolio of ELI represents significant portion of the Group's total assets as at 31 March 2020. The total Investment Portfolio of ELI as disclosed in Note 5 and 11 of the consolidated financial statements aggregates to INR 15,654.99 crores. Such Investments are valued in accordance with Accounting Policy laid down in Note 1(n) of Significant Accounting Policies relating to valuation and impairment of investments.</p> <p>The Management of ELI determines whether objective evidence of impairment exists for these investments. Further, the prevailing COVID-19 situation, has caused economic stress in various sectors and there may be investments where the operations of the investee companies may be adversely impacted, resulting in a need for detailed impairment assessment in relation to such investments.</p>	<p>In view of the significance of the matter the auditors of ELI have reported that the following audit procedures in this area were applied to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> Tested the design, implementation and operating effectiveness of key controls over the valuation process, including the Management's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls; Evaluated the valuation methodology and assumptions used and performed independent price checks where readily observable data was available. For investments where there was little or less observable market data, assessed the reasonableness of the relevant valuation data; Evaluated Management's assessment of impairment indicators (including assessment on consideration of COVID-19 disruptions) and tested the reasonableness of the impairment provisions.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the

other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

- a. We did not audit the financial statements/financial information of 7 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 17,480.46 crores as at 31 March 2020, total revenues of Rs. 6,725.30 crores and net cash outflows amounting to Rs. 85.57 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs. 0.19 crores for the year ended 31 March 2020, in respect of 3 associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the

Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the audit reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of such other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

- b. The auditors of ELI have reported that the actuarial valuation of liabilities for life policies in-force and policies where premium is discontinued is the responsibility of the ELI's Appointed Actuary (the "Appointed Actuary") and has been duly certified by the Appointed Actuary. In his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI. Accordingly, the auditors of ELI have relied upon the Appointed Actuary's certificate for forming their 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 in the financial statements of ELI.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its

subsidiary companies and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the ‘Other Matters’ paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group and its associates. Refer Note 47 to the consolidated financial statements.
- ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate companies incorporated in India during the year ended 31 March 2020.
- iv. The disclosures in the consolidated financial statements regarding holdings as

well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

2. With respect to the matter to be included in the Auditor’s report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and associate companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and associate companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

*Chartered Accountants
Firm Registration Number: 101248W/W-100022*

Sd/-

Jayanta Mukhopadhyay

Partner

*Membership No. 055757
UDIN: 20055757AAAABG6019*

Place: Kolkata
Date: 5 June 2020

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EXIDE INDUSTRIES LIMITED FOR THE YEAR ENDED 31 MARCH 2020**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

[Referred to in clause (f) of paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Exide Industries Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial

statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies

and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

- a) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to four subsidiary companies is based on the corresponding reports of the auditors of such companies incorporated in India.

- b) The auditors of Exide Life Insurance Company Limited ("ELI"), a subsidiary, have reported that the actuarial valuation of liabilities for the life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31 March 2020, is the responsibility of the Company's Appointed Actuary, (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31 March 2020, has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the Insurance Regulatory and Development Authority of India.

The auditors of ELI have relied upon Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of ELI.

Accordingly, the opinion of the auditors of ELI on internal financial controls with reference to financial statements does not include reporting on the operating effectiveness of the management's internal controls over valuation and accuracy of liabilities for life policies certified by the Appointed Actuary and the same has been relied upon by them.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

UDIN: 20055757AAAABG6019

Place: Kolkata

Date: 5 June 2020

Consolidated Balance Sheet

as at 31st March 2020

		(Rs. in Crores)	
	Note	March 31, 2020	March 31, 2019
i) ASSETS			
1) Non-Current Assets			
a) Property, plant and equipment	2(a)	2,499.08	2,456.38
b) Capital work-in-progress	2(a)	360.72	264.99
c) Right-of-Use asset	2(b)	120.92	-
d) Goodwill	4	581.90	581.90
e) Other intangible assets	3	46.60	41.52
f) Intangible assets under development		44.15	35.07
g) Reinsurance asset		138.96	82.40
h) Financial assets			
(i) Investments			
- Investments of life insurance business	5	14,736.78	13,162.55
- Other investments	6	83.72	59.01
(ii) Trade receivables	7	0.11	0.18
(iii) Loans	8	38.08	39.74
i) Current tax assets (net)		69.01	90.77
j) Deferred tax assets (net)	28	16.10	10.01
k) Other non-current assets	9	221.51	155.96
		18,957.64	16,980.48
2) Current Assets			
a) Inventories	10	2,414.56	2,065.31
b) Financial assets			
(i) Investments			
- Investments of life insurance business	11	918.21	848.48
- Other investments	12	76.79	257.95
(ii) Trade receivables	13	1,060.83	1,245.03
(iii) Cash and cash equivalents	14	331.47	340.94
(iv) Bank balances other than (iii) above	15	10.13	8.95
(v) Loans	16	22.87	18.21
(vi) Other financial assets	17	376.26	367.84
c) Other current assets	18	198.83	307.76
		5,409.95	5,460.47
Total Assets		24,367.59	22,440.95
ii) EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	19	85.00	85.00
b) Other equity	20	6,382.32	6,021.86
Equity attributable to owners of the Company		6,467.32	6,106.86
2) Non-Controlling Interest	21	46.94	33.00
Total Equity		6,514.26	6,139.86
3) Liabilities			
i) Non-Current Liabilities			
a) Financial liabilities			
(i) Borrowings	22	8.85	9.75
(ii) Lease liability		101.56	-
(iii) Trade payables	23		
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		5.74	5.23
(iv) Other financial liabilities	24	7.34	2.73

Consolidated Balance Sheet

as at 31st March 2020

		(Rs. in Crores)	
	Note	March 31, 2020	March 31, 2019
b) Provisions	25	72.54	54.98
c) Insurance contract liabilities	26	12,907.87	11,323.02
d) Investment contract liabilities	27	885.45	1,073.69
e) Deferred tax liabilities (net)	28	107.82	182.39
f) Other non-current financial liabilities			
(i) Fund for discontinued policies (linked and non-linked)		163.52	132.67
(ii) Fund for future appropriation (linked and non-linked)		341.09	141.50
		14,601.78	12,925.96
ii) Current Liabilities			
a) Financial liabilities			
(i) Borrowings	29	58.53	75.11
(ii) Lease liability		24.29	-
(iii) Trade payables	30		
- Total outstanding dues of micro and small enterprises		132.78	32.10
- Total outstanding dues of creditors other than micro and small enterprises		1,472.79	1,544.76
(iv) Other financial liabilities	31	360.24	469.87
b) Other current liabilities	32	185.56	232.31
c) Provisions	33	306.77	276.76
d) Insurance contract liabilities	34(a)	605.39	741.16
e) Investment contract liabilities	34(b)	104.57	-
f) Current tax liabilities (net)		0.63	3.06
		3,251.55	3,375.13
Total Equity and Liabilities		24,367.59	22,440.95
Significant accounting policies	1		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

Kolkata, 05 June, 2020

For and on behalf of Board of Directors of Exide Industries Limited

CIN No.: L31402WB1947PLC014919

Sd/-

J. Kumar

Company Secretary &

EVP-Legal & Admin

ACS: 11159

Kolkata, 05 June, 2020

Sd/-

A. K. Mukherjee

Director- Finance & CFO

DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Consolidated Statement of Profit and Loss

for the year ended 31st March 2020

		(Rs. in Crores)	
	Note	2019-20	2018-19
I) INCOME:			
Revenue from operations	35	14,471.01	14,720.88
Other income	36	61.88	39.88
Total income (I)		14,532.89	14,760.76
II) EXPENSES:			
Cost of materials consumed	37	6,567.39	7,076.22
Purchase of stock-in-trade		54.25	52.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	38	(219.14)	(56.70)
Employee benefit expenses	39	1,118.93	1,034.25
Change in valuation of liability of life insurance policies in force	40	1,622.86	1,734.56
Other expenses	43	3,880.66	3,328.10
Total Expenses (II)		13,024.95	13,169.42
III) EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION EXPENSES (I-II)		1,507.94	1,591.34
Finance costs	41	96.59	107.08
Depreciation and amortisation expenses	42	417.58	343.54
IV) INTEREST, DEPRECIATION AND AMORTISATION EXPENSES		514.17	450.62
V) SHARE OF LOSS OF EQUITY ACCOUNTED INVESTEEs, NET OF TAX		(0.19)	-
VI) PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV+V)		993.58	1,140.72
VII) EXCEPTIONAL ITEMS	62	(21.70)	108.29
VIII) PROFIT BEFORE TAX (VI+VII)		971.88	1,249.01
IX) TAX EXPENSES:	28		
Current tax [net of provision for earlier years Rs. 2.92 crs (PY: net of reversal of excess provision for earlier years Rs. 4.29 crs)]		288.02	368.49
Deferred tax		(78.62)	33.17
		209.40	401.66
X) PROFIT FOR THE YEAR (VIII-IX)		762.48	847.35
XI) OTHER COMPREHENSIVE INCOME (OCI)			
(i) Other comprehensive income not to be reclassified subsequently to profit or loss:			
a) Re-measurement gain / (loss) on defined benefit plans	46	(12.63)	3.37
Income tax effect		2.93	(1.04)
b) Net gain / (loss) on investment in equity shares / units accounted at fair value		(105.66)	37.95
Income tax effect		2.04	1.47
(ii) Other comprehensive income to be reclassified subsequently to profit or loss:			
a) Net gain / (loss) on investment in debt securities accounted at fair value		197.55	38.77
Income tax effect		-	-
b) Change in foreign currency translation reserve		1.59	(2.45)
Income tax effect		-	-
Other comprehensive income for the year		85.82	78.07
XII) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (X+IX)		848.30	925.42
Profit for the year attributable to:			
Owners of the company		776.75	845.55
Non-controlling interests		(14.27)	1.80
Other comprehensive income attributable to:			
Owners of the company		85.82	78.07

Consolidated Statement of Profit and Loss

for the year ended 31st March 2020

	Note	2019-20	(Rs. in Crores) 2018-19
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners of the company		862.57	923.62
Non-controlling interests		(14.27)	1.80
Earnings per share - Basic and Diluted [Nominal value Re. 1 per share (PY: Re. 1 per share)]	44	9.14	9.95
Significant accounting policies	1		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

Kolkata, 05 June, 2020

Sd/-

J. Kumar

Company Secretary &
EVP-Legal & Admin
ACS: 11159

Kolkata, 05 June, 2020

Sd/-

A. K. Mukherjee

Director- Finance & CFO
DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO
DIN: 00012306

Consolidated Statement of Cash Flows

for the year ended 31st March 2020

	(Rs. in Crores)	
	2019-20	2018-19
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	971.88	1,249.01
Adjustment for :		
Depreciation and amortisation	417.58	343.54
Net profit on sale of investment	(214.57)	(85.88)
(Profit)/loss on fixed assets sold / discarded (net)	(7.32)	0.29
Exceptional items	-	(108.29)
Income from investment including dividend and interest	(1,015.35)	(876.31)
(Gain) / loss on fair valuation of financial assets	292.52	(84.21)
Gain on fair valuation of investments in mutual fund units	(1.44)	(0.48)
Finance costs	16.33	12.19
Impairment loss on investment	27.98	-
Provision for expected credit loss on receivables	17.03	-
Share of loss of equity accounted investees, net of tax	0.19	-
Change in valuation of liability against life policies	1,622.86	1,734.56
	1,155.81	935.41
Operating profit before working capital changes	2,127.69	2,184.42
(Increase) / decrease in trade receivables	167.24	(150.18)
(Increase) in inventories	(349.25)	(60.46)
(Increase) / decrease in loans, other financial assets and other assets	26.68	(29.19)
Increase / (decrease) in other financial liabilities, other liabilities and provisions	(92.20)	130.10
	(247.53)	(109.73)
Cash generated from operations	1,880.16	2,074.69
Direct taxes paid (net of refunds and interest thereon)	(260.97)	(387.92)
Net cash generated from operating activities	1,619.19	1,686.77
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase and construction of property, plant and equipment (including intangible assets)	(608.09)	(811.21)
Proceeds from sale of property, plant and equipment	12.97	125.44
Acquisition of interest in associates	(23.36)	-
Net proceeds from sale/ (purchase) of investments	(1,476.93)	(1,589.83)
Investment income including dividends and interest	998.50	838.18
Net cash used in investing activities	(1,096.91)	(1,437.42)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	110.69	127.65
Repayment of borrowings	(128.44)	(99.29)
Transaction with non-controlling interest	28.21	13.77
Dividends paid to non-controlling interest	-	(0.66)
Dividends paid (including tax)	(502.11)	(245.94)
Payment of lease liabilities	(35.75)	-
Interest paid	(4.41)	(12.19)
Net cash used in financing activities	(531.81)	(216.66)
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(9.53)	32.69

Consolidated Statement of Cash Flows

for the year ended 31st March 2020

		(Rs. in Crores)
	2019-20	2018-19
Cash and cash equivalents - opening balance	340.94	308.60
Cash and cash equivalents - closing balance	331.41	341.29
Effect of exchange rate changes	0.06	(0.35)
Cash and cash equivalents - closing balance (as disclosed in Note 14)	331.47	340.94

The aforesaid Statement of Cash Flows has been prepared under the indirect method as set out in IND AS 7- Statement of Cash Flow.

Refer Note 58 for reconciliation of liabilities from financing activities.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

For and on behalf of Board of Directors of **Exide Industries Limited**

CIN No.: L31402WB1947PLC014919

Sd/-

Jayanta Mukhopadhyay

Partner

Membership No. 055757

Kolkata, 05 June, 2020

Sd/-

J. Kumar

Company Secretary &

EVP-Legal & Admin

ACS: 11159

Kolkata, 05 June, 2020

Sd/-

A. K. Mukherjee

Director- Finance & CFO

DIN: 00131626

Sd/-

Gautam Chatterjee

Managing Director & CEO

DIN: 00012306

Consolidated Statement of Changes in Equity

for the year ended 31st March 2020

A) EQUITY SHARE CAPITAL

	Number	Amount
Equity Shares of INR 1 each issued, subscribed and fully paid		
Balance as at April 1, 2018	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	85,00,00,000	85.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	85,00,00,000	85.00

B) OTHER EQUITY

Particulars	Attributable to the owners of the company								Non-controlling interest	Total Equity	
	Reserves and Surplus				OCI		Total Attributable to the owners of the Company				
	Capital reserve	Securities Premium	Redemption Reserve	Capital Reserve	Retained earnings	Foreign currency translation reserve		Investments in equity shares / units at fair value			Debt instruments
Balance as at April 1, 2018	2.89	737.88	0.80	4,516.80	(0.26)	109.66	(23.59)	5,344.18	18.09	5,362.27	
Profit for the year 2018-19	-	-	-	845.55	-	-	-	845.55	1.80	847.35	
Transactions with non-controlling interest	-	-	-	-	-	-	-	-	13.77	13.77	
Other comprehensive income (net of tax) for the year 2018-19	-	-	-	2.33	(2.45)	39.42	38.77	78.07	-	78.07	
Adjustments	2.89	737.88	0.80	5,364.68	(2.71)	149.08	15.18	6,267.80	33.66	6,301.46	
Final Dividend for the year 2017-18 (Re. 0.80 per share)	-	-	-	(68.00)	-	-	-	(68.00)	-	(68.00)	
Tax on Final Dividend for the year 2017-18	-	-	-	(13.98)	-	-	-	(13.98)	-	(13.98)	
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	(0.66)	(0.66)	
Payment of interim dividend for the year 2018-19 (Rs. 1.60 per share)	-	-	-	(136.00)	-	-	-	(136.00)	-	(136.00)	
Tax on interim dividend for the year 2018-19	-	-	-	(27.96)	-	-	-	(27.96)	-	(27.96)	
Balance as at March 31, 2019	2.89	737.88	0.80	5,118.74	(2.71)	149.08	15.18	6,021.86	33.00	6,054.86	
Profit for the year 2019-20	-	-	-	776.75	-	-	-	776.75	(14.27)	762.48	
Transactions with non-controlling interest	-	-	-	-	-	-	-	-	28.21	28.21	
Other comprehensive income (net of tax) for the year 2019-20	-	-	-	(9.70)	1.59	(103.62)	197.55	85.82	-	85.82	
Adjustments	2.89	737.88	0.80	5,885.79	(1.12)	45.46	212.73	6,884.43	46.94	6,931.37	

for the year ended 31st March 2020

Particulars	Attributable to the owners of the company						Non-controlling interest	Total Equity		
	Reserves and Surplus			OCI		Total Attributable to the owners of the Company				
	Capital reserve	Securities Premium	Redemption Reserve	Retained earnings	Foreign currency translation reserve				Investments in equity shares / units at fair value	Debt instruments
Adjustments										
Final Dividend for the year 2018-19 (Re. 0.80 per share)	-	-	-	(68.00)	-	-	(68.00)	-	(68.00)	
Tax on Final Dividend for the year 2018-19	-	-	-	(13.98)	-	-	(13.98)	-	(13.98)	
Payment of 1st Interim dividend for the year 2019-20 (Rs. 1.60 per share)	-	-	-	(136.00)	-	-	(136.00)	-	(136.00)	
Tax on 1st interim dividend for the year 2019-20	-	-	-	(29.98)	-	-	(29.98)	-	(29.98)	
Payment of 2nd Interim dividend for the year 2019-20 (Rs. 2.50 per share)	-	-	-	(212.50)	-	-	(212.50)	-	(212.50)	
Tax on 2nd interim dividend for the year 2019-20	-	-	-	(41.65)	-	-	(41.65)	-	(41.65)	
Balance as at March 31, 2020	2.89	737.88	0.80	5,383.68	(1.12)	45.46	6,382.32	46.94	6,429.26	

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

CORPORATE INFORMATION

The Consolidated Financial Statements comprise financial statements of Exide Industries Limited (the Holding company) and its subsidiaries (collectively, the Group) and its associates as at and for the year ended 31 March 2020. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. Its shares are listed on three recognised stock exchanges in India. The registered office of the Company is located at Exide House, 59E Chowringhee Road, Kolkata, 700020. The Holding Company is primarily engaged in the manufacturing of Storage Batteries and allied products in India. One of the Company's subsidiaries namely, Exide Life Insurance Company Limited (ELI) (Formerly known as ING Vysya Life Insurance Company Limited), is engaged in the business of life insurance and annuity. ELI offers a range of life insurance products to the customers through various distribution channels including individual agents, corporate agents, banks, etc.

BASIS OF PREPARATION

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Consolidated Financial Statements were authorised for issue by the Group's Board of Directors on 05 June 2020.

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

The Consolidated Financial Statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities, which are measured at fair value.
- Net defined employee benefit asset / (liability), which are measured at Fair Value of plan assets less present value of defined benefit obligations.
- Certain life insurance contract liabilities and investments contract liabilities.

Standalone financial statements of Exide Life Insurance Company Limited (ELI) are prepared and presented in accordance with the accounting principles generally accepted in India in compliance with Accounting Standards (AS) as prescribed in the Companies (Accounting Standard) Rules, 2006, as amended and to the extent applicable, and in accordance with the provisions of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002, provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act 1999, various circulars issued by IRDAI and the practices prevailing within the Insurance Industry in India. However, such financial statements of ELI have been suitably modified to materially conform to the measurement and recognition principles of Indian Accounting Standards ("Ind-AS"), to the extent applicable, for the purpose of consolidation.

1. SIGNIFICANT ACCOUNTING POLICIES

a. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Refer Note 2(a) to the Consolidated Financial Statements.

b. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of Profit and Loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Useful economic life
Land under finance lease	Lease period
Buildings	28.5 / 58.5 years
Plant and machinery (including electrical installation)	10/15 years
Moulds	8.5 years
Furniture and fittings	10 years
Office equipment	5 years
Vehicles	6 years
Computers	3 to 6 years

Based on technical assessment done by experts and management's estimate,

- (i) the useful life of factory buildings, other buildings, moulds and vehicles are different than those indicated in Schedule II to the Companies Act, 2013,
- (ii) residual value of plant & machinery including electrical installation, moulds and computers has been considered to be 2% of the cost. For buildings, office equipment, furniture & fittings and vehicles, residual value has been estimated at 5% of the cost.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions/(disposals) is provided on a pro-rate basis i.e. from/(upto) the date on which asset is ready for use/(disposed of).

Refer Note 42 to the Consolidated Financial Statements.

c. Goodwill, Other Intangible assets and Amortisation

Goodwill is stated at cost less impairment losses, where applicable. Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

Other acquired intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

Research costs are expensed as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically end commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the Statement of Profit and Loss as incurred.

The amortisation of an intangible asset with a finite useful life begins when the asset is available for use -

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation of intangible assets that is to be used in conjunction with other assets commences, once the asset group as a whole is ready to commence operations. Such Intangible assets are recorded as “intangible assets under development” till the time they are not available for use.

Subsequent to the initial recognition, the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful lives are as follows:

Particular	Useful economic life
Computer Software / Trademark	5 years

Amortisation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Refer Notes 3, 4 and 42 to the Consolidated Financial Statements.

d. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

e. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- (i) Raw materials and Components, Stores, Spares parts, loose tools etc: These are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
- (ii) Finished goods and work-in-progress: These are valued at lower of cost and net realisable value. Cost includes an appropriate share of production overheads based on the normal operating capacity.
- (iii) Stock-in-trade: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to completion and the estimated costs necessary to sell them.

Refer Note 10 to the Consolidated Financial Statements.

f. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

Refer Notes 25 and 33 to the Consolidated Financial Statements.

g. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Post-retirement benefits

Post-retirement benefits to employees can either be through defined contribution plans or defined benefit plans.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund and pension schemes.

The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group operates the following defined benefit plans:

- Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund and
- Post-retirement medical benefit plan which is unfunded.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Pension liability is split into a defined benefit portion and a defined contribution portion. The part of the liability towards pension plan upto 31st March 2003 for employees as on that date is in the nature of defined benefit plan. From 1st April 2003, the pension remains as a defined contribution liability. The Defined benefit portion is provided for on the basis of an actuarial valuation done at the end of each financial year. The contributions towards defined contribution are charged to Statement of Profit and Loss of the year when the employee renders the service.

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

(iii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gains or losses are recognised in profit or loss in the period in which they arise.

Refer Notes 25, 33, 39 and 46 to the Consolidated Financial Statements.

h. Foreign Currency

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss.

i. Revenue Recognition

The Group storage business batteries earns revenue primarily from sale of batteries and HUPS.

Sale of products and rendering of services

At contract inception, Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products or services to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Group expects to receive in exchange for those products or services.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding

amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products and rendering of certain services revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods or services. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

Revenue from certain services are generated over a period of time, during which services are rendered based on contractual milestones. Revenue recognition takes place when a milestone is completed.

The Group recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Customer Loyalty programme

The Group has a customer loyalty programme for selected customers. The Group grants credit points to those customers as part of a sales transaction which allows them to accumulate and redeem those credit points.

The Group allocates a portion of the consideration received to loyalty points. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote.

The deferred revenue is included in contract liability.

Warranty

The Group provides only assurance types warranty in conjunction with sale of product and hence same is not considered as separate performance obligation.

Refer Notes 31, 32, 33, 35 and 43 to the Consolidated Financial Statements.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

j. Income Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net

basis or their tax assets and liabilities will be realised simultaneously.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

Refer Note 28 to the Consolidated Financial Statements.

k. Leases

The Group as a lessee

The Group assesses whether a contract contains a lease as per the requirements of Ind AS 116 "Leases" at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of the Group. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight basis over the term of the relevant lease.

Transition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified Ind AS 116 "Leases" which replaced the erstwhile lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

Refer Note 1(l)– Significant accounting policies – Leases in the Annual report of the Group for the year ended March 31, 2019, for the policy as per Ind AS 17.

For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application.

Refer Notes 2(b), 41, 42 and 60 to the Consolidated Financial Statements.

I. Earnings per share

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

Refer Note 44 to the Consolidated Financial Statements.

m. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

of resources will be required to settle the obligation. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Refer Note 47 to the Consolidated Financial Statements.

n. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost; Fair value through other comprehensive income (FVOCI) – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the conditions and is not designated as at FVTPL: (i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise

meets the requirements to be measured at amortised cost or at FVOCI, as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The subsequent measurement of gains and losses of various categories of financial instruments are as follows:

- (i) Financial assets at amortised cost: these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- (ii) Equity investments at FVOCI: these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
- (iii) Financial assets at FVTPL: these assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets: The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities: The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

Refer Notes 5, 6, 7, 8, 11, 12, 13, 14, 15, 16, 17, 22, 23, 24, 29, 30, 31, 36, 52 and 53 to the Consolidated Financial Statements.

o. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

p. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

Refer Notes 18 and 35 to the Consolidated Financial Statements.

q. Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Refer Notes 36 and 41 to the Consolidated Financial Statements.

r. Segment reporting

The Group's operating business are organised and managed separately according to the nature of

products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which customers of the Group are located.

Refer Note 51 to the Consolidated Financial Statements.

s. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

t. Earnings before interest, tax, depreciation and amortisation (EBITDA)

The Group presents EBITDA in the Statement of Profit or Loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statement when such presentation is relevant to an understanding of the Group's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standard.

Measurement of EBITDA

Accordingly, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of Statement of Profit and Loss. The Group measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortisation expense, finance cost and tax expenses.

1.1 SIGNIFICANT ACCOUNTING POLICIES RELATED TO LIFE INSURANCE BUSINESS

a. Product classification

Insurance and investment contracts are classified as being either with or without discretionary participation feature (DPF). DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that meet the following conditions:

- Likely to be a significant portion of the total contractual benefits
- The amount or timing of which is contractually at the discretion of the issuer

That are contractually based on:

- The performance of a specified pool of contracts or a specified type of contract
- Realised and/or unrealised investment returns on a specified pool of assets held by the issuer
- The profit or loss of the Group, fund or other entity that issues the contract

b. Life insurance contract liabilities

Life insurance liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are measured using the gross premium method. The liability is determined as the sum of the discounted value of the expected future benefits, claims handling and policy administration expenses, policyholder options and guarantees and investment income from assets backing such liabilities, which are directly related to the contract, less the discounted value of the expected premiums that would be required to meet the future cash outflows based on the actuarial valuation assumptions used.

Refer Notes 26 and 34(a) to the Consolidated Financial Statements.

c. Investment contract liabilities

Investment contracts are classified between contracts with and without DPF. The accounting policies for investment contract liabilities with DPF are the same as those for life insurance contract liabilities. Investment contract liabilities without DPF are recognised when contracts are entered into and premiums are charged. These liabilities are initially recognised at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition, the investment contract liabilities are measured at fair value through profit or loss.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the Balance sheet and are not recognised as gross premium in the Statement of profit and loss.

Fair values are determined at each reporting date and fair value adjustments are recognised in the Statement of Profit and Loss in "Gross change in contract liabilities".

Non-utilised contracts are subsequently also carried at fair value. The liability is derecognised when the contract expires, discharged or cancelled. For a contract that can be cancelled by the policyholder, the fair value of the contract cannot be less than the surrender value.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the Balance sheet as described above.

Refer Notes 27 and 34(b) to the Consolidated Financial Statements.

d. Reinsurance assets

Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting period.

e. Liability adequacy test

The Group performs adequacy testing on its insurance liabilities to ensure that the carrying amounts (net of related deferred acquisition costs) and, where relevant, present value of acquired in-force business is sufficient to cover current estimates of future cash flows. Any deficiency is immediately charged to the Statement of Profit and Loss.

f. Revenue recognition

Revenue includes revenue from insurance contracts that are covered in the scope of Ind AS 104, 'Insurance Contracts'. Any amount (excluding the fee) received with respect to contracts classified as investment contracts form part of investment contract liability in the Balance sheet. Therefore, all amounts received or receivable from insurance and investment contracts do not fall within the purview of Ind AS 115, 'Revenue from contracts with customers'. Further, the fee charged to the investment contract policyholders for policy administration, investment management, surrenders etc. is covered under the scope of Ind AS 115 and is recognised as revenue over time, as

and when the performance obligations are satisfied. In all the cases, this revenue is recognised in the same period in which the fee is charged to the policyholders and therefore, no revenue is deferred. Consequently, the Group does not have any contract asset or contract liability with respect to unsatisfied performance obligations as at the Balance sheet date.

i. Premium Income

Premium for non-linked policies is recognised as income when due. Premium on lapsed policies is recognised as income when such policies are reinstated.

Products having regular premium paying plans with limited premium payment term and/or pre-determined policy term are treated as regular business with due classification of premium into first year and renewal. Premium income on products other than aforesaid is classified as single premium.

Top up premiums paid by unit linked Policyholders' are considered as single premium and recognised as income when the associated units are created.

Premium income pertaining to investment contracts are accounted as investment liabilities.

ii. Investment contract fee

Investment contract policyholders are charged fees for policy administration, investment management, surrenders or other contract services. The fees may be for fixed amounts or vary with the amounts being managed, and will generally be charged as an adjustment to the policyholder's balance. Fees related to investment management services are recognised as revenue over time, as performance obligations are satisfied. In most cases this revenue is recognised in the same period in which the fees are charged to the policyholder.

Fees that are related to services to be provided in future periods are deferred and recognised when the performance obligation is fulfilled. Variable consideration, such as performance fees and commission subject to claw back

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

arrangements, is not recognised as revenue until it is reasonably certain that no significant reversal of amounts recognised would occur. Initiation and other 'front-end' fees (fees that are assessed against the policyholder balance as consideration for origination of the contract) are charged on some non-participating investment and investment fund management contracts.

Where the investment contract is recorded at amortised cost, these fees are deferred and recognised over the expected term of the policy by an adjustment to the effective yield. Where the investment contract is measured at fair value, the front-end fees that relate to the provision of investment management services are deferred and recognised as the services are provided.

iii. Income from investments

Interest/dividend income on investments is recognised on accrual basis. Amortisation of discount/ premium relating to debt securities is recognised over the remaining maturity period on effective interest basis.

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

iv. 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.

v. Income from linked policies

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. and are recovered 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.

vi. Interest on policy loans

Interest on loans against policies is recognised on effective interest basis.

vii. Amortisation of premium /discount on securities Income/Cost

Premium or discount on acquisition, as the case may be, in respect of debt securities/fixed income securities, pertaining to non-linked investments is amortised on effective interest rate basis over the expected life of the financial instrument.

viii. Realised Gain/ (Loss) on Debt Securities for Linked Business

Realised gain/(loss) on debt securities for linked business is the difference between the sale consideration net of expenses and the book cost, which is computed on weighted average basis, as on the date of sale.

ix. Realised Gain/ (Loss) on Debt Securities for Non-Linked Business

Realised gain/(loss) on debt securities for other than linked business 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.

x. Realised Gain/ (Loss) on sale of Equity Shares/ Equity ETF/ Mutual Fund

Realised gain/ (Loss) on sale of equity shares/ equity ETF/ mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis as on the date of sale (mutual fund sale considerations would be based on the latest available NAV).

xi. Unrealised Gain/ (Loss) for Linked Business

Unrealised gains and losses for Linked Business are recognised in the Statement of profit and loss.

xii. Fees and Charges

Fees and charges including policy reinstatement fee (if any) are recognised as follows:

- a) relating to Insurance contracts - on receipt basis
- b) relating to Investment contracts - over time, as the services are provided.

Initial and other front-end fees received for rendering future investment management

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

services relating to investment contracts without DPf, are deferred and recognised as revenue when the related services are rendered.

Refer Note 35 to the Consolidated Financial Statements.

g. Benefits paid (including claims)

Benefits paid comprise policy benefit amount and bonus declared to policyholders. Death and surrender claims are accounted for on receipt of intimation based on the terms of policy. Maturity benefits, survival benefits and declared bonuses are accounted for on the respective due dates. Withdrawals and benefits under linked policies are accounted in the respective schemes when the associated units are cancelled.

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

Amounts paid under investment contracts other than those with a discretionary participating feature are recorded as reductions of the investment contract liabilities. Amounts received under investment contracts, are not recorded through Statement of profit and loss, except for fee income and investment income attributable to those contracts, but are accounted for directly through the Balance sheet as an adjustment to investment contract liabilities.

Refer Note 43 to the Consolidated Financial Statements.

h. 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, amended by the Insurance Laws (Amendment) Act, 2015, IRDAI regulations and the actuarial practice standards issued by The Institute of Actuaries of India.

i. Acquisition and maintenance costs

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

j. Liability for Life Policies

The valuation exercise is done to protect the interests of the existing policyholders. For policies with profit, the reasonable expectations of policyholders (PRE) are also considered. The reserves should be adequate to provide for all the policyholders benefits in various future scenarios. Adequate use of Margin for Adverse Deviation (MAD) is made to ensure that policyholders' benefits are protected even in some plausible adverse scenarios.

Actuarial liability for life policies in force and for policies in respect of which premium has been discontinued but a liability exists, is determined using the gross premium method and in case of group business (except for Credit Life Business and Reverse Mortgage Loan Enabled Annuity where gross premium method is used), the actuarial liabilities have been calculated on the basis of Unearned Premium Reserve method. Linked liabilities comprise unit liability representing the fund value of policies and non-unit liability for meeting insurance claims, expenses etc. The main governing guidelines considered for valuation are Insurance Act 1938, IRDA Act 1999, IRDAI (Actuarial Report and Abstract) Regulations 2016, IRDAI (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations 2016, Actuarial Practice Standards and Guidance notes issued by Institute of Actuaries of India, Circulars issued by IRDAI from time to time.

k. Loans against policies

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

l. Transfer of investments between Shareholders and Policyholders

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

m. Deferred acquisition costs (DAC)

Those direct and indirect costs incurred during the financial period arising from the acquiring or renewing of insurance contracts and/or investment contracts with DPf, are deferred to the extent that these costs are recoverable out of future premiums from insurance contract and over duration of investment contracts

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

with DPF. All other acquisition costs are recognised as an expense when incurred.

Subsequent to initial recognition, this DAC asset for life insurance and investment contracts with DPF is amortised over the expected life of the contracts as a constant percentage of expected premiums. DAC for general insurance and health products are amortised over the period in which the related revenues are earned. The deferred acquisition costs for reinsurers are amortised in the same manner as the underlying asset amortisation and is recorded in the Statement of Profit and Loss.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method and are treated as a change in an accounting estimate.

An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value, an impairment loss is recognised in the Statement of Profit and Loss. DACs are also considered in the liability adequacy test for each reporting period.

DACs are derecognised when the related contracts are either settled or disposed of.

n. Funds for future appropriation

Linked business

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

Participating business

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

o. Discretionary Participation Features (DPF)

A DPF gives holders of these contracts the right to receive, as a supplement to guaranteed benefits, significant additional benefits which are based on the performance of the assets held within the DPF portfolio. The amount or timing of the additional benefits is contractually at the discretion of the Group. Under the terms of the contracts, surpluses in the DPF funds to be distributed to policyholders and shareholders on a 90/10 basis. The Group has the discretion over the amount and timing of the distribution of these surpluses to policyholders. All DPF liabilities including unallocated surpluses at the end of the reporting period are held within insurance or investment contract liabilities, as appropriate.

1.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

1.3 PRINCIPLES OF CONSOLIDATION

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

- i. The financial statements of the Company and its subsidiaries are consolidated by combining like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/ loss included therein. Deferred tax has been created on temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions as per Ind AS12: Income Taxes.
- ii. Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Consolidated Financial Statements to ensure

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent Company, i.e., year ended on 31 March.

- iii. The excess / shortfall of cost to the Company of its investments in the subsidiary companies is recognised in the financial statements as goodwill / capital reserve, as the case may be.
- iv. With respect to subsidiaries domiciled out of India, assets and liabilities of such entities, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end. Income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

- v. The Group's interests in equity accounted investees comprise interest in associates. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees are changed where necessary to ensure consistency with the policies adopted by the group.

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

Name	Country of Incorporation	% of ownership interest as on March 31, 2020	% of ownership interest as on March 31, 2019
Chloride International Limited (CIL)	India	100	100
Chloride Power Systems & Solutions Ltd. (CPSSL)	India	100	100
Chloride Metals Ltd. (CML)	India	100	100
Exide Life Insurance Company Limited (ELI)	India	100	100
Exide Leclanche Energy Private Limited (ELEPL)	India	74.99	74.99
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100	100
Espex Batteries Limited (ESPEX)	UK	100	100
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	Sri Lanka	61.50	61.50
CSE Solar Sunpark Maharashtra Private Limited	India	27.20	-
CSE Solar Sunpark Tamil Nadu Private Limited	India	27.20	-
Greenyana Solar Private Limited	India	27.20	-

- vii. Non-controlling interest

Non-controlling interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets as at the date of acquisition. Changes in Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

2(a) PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Land under Finance lease	Buildings	Plant & equipments (including electrical installation)	Moulds	Office Equipment	Furniture & fixtures	Vehicles	Computers	Total
										(Rs. in Crores)
Gross carrying amount										
Balance as at April 1, 2018	50.09	75.51	473.95	1,774.11	235.10	20.95	14.24	5.99	40.64	2,690.58
Additions for the year 2018-19	20.57	59.39	88.35	477.38	67.05	5.07	2.17	0.52	18.11	738.61
Disposals / deductions for the year 2018-19	10.28	-	3.28	7.84	0.11	0.48	0.33	0.22	0.30	22.84
Exchange differences for the year 2018-19	(0.20)	-	(0.32)	(0.65)	(0.77)	-	(0.06)	(0.06)	-	(2.06)
Balance as at March 31, 2019	60.18	134.90	558.70	2,243.00	301.27	25.54	16.02	6.23	58.45	3,404.29
Additions for the year 2019-20	6.72	3.72	62.50	295.55	29.35	6.33	1.88	1.56	12.99	420.60
Disposals / deductions for the year 2019-20	-	-	6.74	3.82	0.36	0.51	0.16	1.43	0.93	13.95
Exchange differences for the year 2019-20	0.06	-	0.29	(0.09)	0.72	-	0.04	0.02	-	1.04
Balance as at March 31, 2020	66.96	138.62	614.75	2,534.64	330.98	31.36	17.78	6.38	70.51	3,811.98
Accumulated depreciation										
Balance as at April 1, 2018	-	2.10	48.88	476.21	62.73	9.16	5.47	3.45	17.50	625.50
Depreciation for the year 2018-19	-	2.49	23.63	251.86	31.03	4.50	1.78	1.08	12.12	328.49
Disposals / deductions for the year 2018-19	-	-	0.59	3.77	0.08	0.45	0.31	-	0.20	5.40
Exchange differences for the year 2018-19	-	-	0.08	(0.49)	(0.03)	-	(0.02)	(0.22)	-	(0.68)
Balance as at March 31, 2019	-	4.59	72.00	723.81	93.65	13.21	6.92	4.31	29.42	947.91
Depreciation for the year 2019-20	-	2.60	28.34	285.13	35.22	4.58	2.09	0.92	14.35	373.23
Disposals / deductions for the year 2019-20	-	-	4.61	1.57	0.05	0.41	0.15	0.81	0.70	8.30
Exchange differences for the year 2019-20	-	-	0.20	0.16	0.01	-	0.03	(0.34)	-	0.06
Balance as at March 31, 2020	-	7.19	95.93	1,007.53	128.83	17.38	8.89	4.08	43.07	1,312.90
Carrying Amount (net)										
Balance as at March 31, 2019	60.18	130.31	486.70	1,519.19	207.62	12.33	9.10	1.92	29.03	2,456.38
Balance as at March 31, 2020	66.96	131.43	518.82	1,527.11	202.15	13.98	8.89	2.30	27.44	2,499.08

- Conveyance / lease deeds for certain immovable properties valued at Rs. 39.91 crs (PY : Rs. 41.31 crs) are pending execution.
- Buildings Includes Rs. 0.10 crs (PY : Rs. 0.10 crs) being the cost of shares in respective Co-operative Housing Societies.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

- c. Buildings includes leasehold improvements Rs. 13.12 crs (PY : Rs. 12.42 crs). Leasehold improvements includes expenses towards operating lease amounting to Rs. Nil (PY: Rs. 1.09 crs)
- d. As at March 31, 2020 property, plant and equipment with a carrying amount of Rs. 24.93 crs (PY : Rs. 18.93 crs) are subject to charge to secured borrowings from banks refer Notes 22 and 29.
- e. Movement of capital work-in-progress

	Opening Balance	Addition during the year	Capitalised / Adjustments	Effect of Foreign Exchange	(Rs. in Crores) Closing Balance
2019-20	264.99	504.60	408.66	(0.21)	360.72
2018-19	236.99	745.85	717.71	(0.14)	264.99

2 (b) RIGHT-OF-USE ASSET

	Land	Buildings	Plant & equipments (including electrical installation)	Information Technology Equipment	Vehicles	(Rs. in Crores) Total
Gross carrying amount						
Balance as at April 01, 2019 (refer note 60)	-	99.89	-	4.17	1.28	105.34
Additions for the year 2019-20	3.97	11.54	30.69	-	0.86	47.06
Disposals / deductions	-	3.38	-	-	-	3.38
Balance as at March 31, 2020	3.97	108.05	30.69	4.17	2.14	149.02
Accumulated depreciation						
Balance as at April 01, 2019	-	-	-	-	-	-
Depreciation for the year 2019-20	0.64	24.94	1.48	1.00	0.71	28.77
Disposals / deductions for the year 2019-20	-	0.69	-	-	-	0.69
Exchange differences for the year 2019-20	0.02	-	-	-	-	0.02
Balance as at March 31, 2020	0.66	24.25	1.48	1.00	0.71	28.10
Carrying amount (net)						
Balance as at March 31, 2020	3.31	83.80	29.21	3.17	1.43	120.92

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

3 OTHER INTANGIBLE ASSETS

			(Rs. in Crores)
	Trade Mark	Computer Software	Total
Gross carrying amount			
Balance as at April 1, 2018	3.12	59.88	63.00
Additions for the year 2018-19	-	22.53	22.53
Exchange differences for the year 2018-19	-	0.04	0.04
Balance as at March 31, 2019	3.12	82.45	85.57
Additions for the year 2019-20	-	20.76	20.76
Disposals / deductions for the year 2019-20	-	0.01	0.01
Exchange differences for the year 2019-20	-	(0.08)	(0.08)
Balance as at March 31, 2020	3.12	103.12	106.24
Accumulated amortisation			
Balance as at April 1, 2018	2.37	26.64	29.01
Amortisation for the year 2018-19	0.53	14.52	15.05
Exchange differences for the year 2018-19	-	(0.01)	(0.01)
Balance as at March 31, 2019	2.90	41.15	44.05
Amortisation for the year 2019-20	0.22	15.36	15.58
Disposals / deductions for the year 2019-20	-	(0.01)	(0.01)
Exchange differences for the year 2019-20	-	0.02	0.02
Balance as at March 31, 2020	3.12	56.52	59.64
Carrying amount (net)			
Balance as at March 31, 2019	0.22	41.30	41.52
Balance as at March 31, 2020	-	46.60	46.60

4 GOODWILL

		(Rs. in Crores)
	March 31, 2020	March 31, 2019
Goodwill	585.79	585.79
Accumulated impairment losses	(3.89)	(3.89)
	581.90	581.90

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

5 NON-CURRENT INVESTMENTS OF LIFE INSURANCE BUSINESS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a. Investments held at amortised cost		
Policyholders' investments (quoted)		
Government securities and government guaranteed bonds including treasury bills	6,446.75	5,508.57
Debentures/ bonds	593.17	400.86
Investments in infrastructure and social sector bonds	1,738.95	1,545.66
Policyholders' investments (unquoted)		
Other securities (Policy Loan)	426.25	371.18
	9,205.12	7,826.27
Less : Impairment loss	(9.23)	(3.75)
	9,195.89	7,822.52
b. Investments held at FVOCI		
Policyholders' investments (quoted)		
Government securities and government guaranteed bonds including treasury bills	1,997.39	1,689.12
Debentures/ bonds	296.40	139.95
Investments in infrastructure and social sector bonds	481.17	322.93
Equity securities	285.13	409.96
Policyholders' investments (unquoted)		
Equity securities	19.24	22.01
Shareholders' investments (quoted)		
Government securities and government guaranteed bonds including treasury bills	751.40	759.12
Debentures/ bonds	17.02	21.15
Investments in infrastructure and social sector bonds	259.83	179.68
	4,107.58	3,543.92
c. Investments held at FVTPL		
Policyholders' investments (quoted)		
Equity securities	52.12	74.95
Policyholders' investments (unquoted)		
Equity securities	6.76	7.73
Assets held to cover linked liabilities (quoted)		
Government securities and government guaranteed bonds including treasury bills	388.11	284.24
Equity securities	754.61	1,148.15
Debentures/ bonds	73.63	86.92
Investments in infrastructure and social sector bonds	158.08	194.12
	1,433.31	1,796.11
	14,736.78	13,162.55
(i) Aggregate book value of quoted investments	14,284.53	12,761.63
(ii) Aggregate market value of quoted investments	15,069.16	12,976.62
(iii) Aggregate value of unquoted investments	452.25	400.92
(iv) Aggregate amount of impairment in value of Investment	9.23	3.75
(v) Refer Note 52 for information about fair value measurement and Note 53 for credit risk and market risk of investment		

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

6 OTHER NON-CURRENT INVESTMENTS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Equity accounted associates (unquoted)		
CSE Solar Sunpark Maharashtra Private Limited of Rs. 10 each [9,92,465 Shares (PY : Nil)]	7.19	-
CSE Solar Sunpark Tamil Nadu Private Limited of Rs. 10 each [11,81,250 Shares (PY : Nil)]	10.80	-
Greenyana Solar Private Limited of Rs. 10 each [5,83,333 Shares (PY : Nil)]	5.18	-
Investments at amortised cost (unquoted)		
Government securities (lodged as security deposits with various authorities)	0.01	0.01
Investments in bond	2.92	-
Investments at FVOCI (unquoted)		
Investment In debentures / bonds^	-	-
Units (unquoted)		
Faering Capital India Evolving Fund of Rs. 1,000 each [4,01,696 units (PY : 3,03,406 units)]	46.36	40.71
Equity shares (unquoted)		
Haldia Integrated Development Agency Ltd of Rs. 10 each [5,00,000 shares (PY: 5,00,000 shares)]	2.15	2.45
Suryadev Alloys of Rs. 10 each [5,80,000 shares (PY: 2,500 shares)]	1.76	0.03
Equity shares (quoted)		
Hathway Cable and Datacom Limited of Rs. 2 each [54,62,830 shares (PY: 54,62,830 shares)]	7.35	15.81
	83.72	59.01
(i) Aggregate book value of unquoted investments	76.37	43.20
(ii) Aggregate book value and market value of quoted investments	7.35	15.81
(iii) Refer Note 52 for information about fair value measurement and Note 53 for credit risk and market risk of investment		
(iv) Aggregate carrying value of investments of individually immaterial associate is Rs. 23.17 crs net of share of loss/OCI of Rs. 0.19 crs.		

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

7 NON-CURRENT TRADE RECEIVABLES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Unsecured, Considered good		
Trade receivables, considered good - unsecured	0.11	0.18
	0.11	0.18

8 NON-CURRENT LOANS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(i) Unsecured, considered good		
a) Loans to employees	0.44	0.26
b) Loans and advances to others	0.17	0.18
c) Deposits	37.47	39.30
(ii) Unsecured, considered doubtful		
a) Deposits	1.02	1.02
	39.10	40.76
Less: Loss allowance	1.02	1.02
	38.08	39.74

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

9 OTHER NON-CURRENT ASSETS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(i) Unsecured, considered good		
a) Capital advances	86.54	47.01
b) Prepaid expenses	40.39	43.74
c) Balances and deposit with Government Authorities	94.58	65.21
(ii) Unsecured, considered doubtful		
a) Advances recoverable in cash or kind	1.79	2.04
b) Balances and deposit with Government Authorities	24.94	22.51
	248.24	180.51
Less :- Provision for doubtful deposits and advances	26.73	24.55
	221.51	155.96

10 INVENTORIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(At lower of cost and net realisable value)		
a) Stores, spare parts, loose tools etc	49.78	47.35
b) Raw materials and components [Including in transit Rs. 179.71 crs (PY: Rs. 126.90 crs)]	680.58	552.90
c) Work-in-progress	754.01	636.90
d) Finished goods	885.26	785.70
e) Stock-in-trade	44.93	42.46
	2,414.56	2,065.31

- I. The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss and Note 43.
- II. The cost of inventories recognised as an expense includes Rs. 16.87 crs (PY: Rs. 12.00 crs) in respect of write downs of inventory.
- III. Carrying amount of inventories pledged as borrowings Rs. 49.07 crs (PY: Rs. 225.12 crs). Refer Note 29.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

11 CURRENT INVESTMENTS OF LIFE INSURANCE BUSINESS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a. Investments held at amortised cost		
Policyholders' investments (quoted)		
Government securities and government guaranteed bonds including treasury bills	71.41	83.28
Debentures/ bonds	13.33	23.62
Investments in infrastructure and social sector bonds	43.81	25.45
Others (CBLO)	1.59	11.14
Policyholders' investments (unquoted)		
Other securities (policy loan)	30.64	-
	160.78	143.49
b. Investments held at FVTOCI		
Policyholders' investments (quoted)		
Government securities and government guaranteed bonds including treasury bills	37.99	14.52
Debentures/ bonds	13.74	9.16
Investments in infrastructure and social sector bonds	3.01	4.56
Shareholders' investments (quoted)		
Government securities and government guaranteed bonds including treasury bills	8.08	5.85
Debentures/ bonds	-	2.00
Investments in infrastructure and social sector bonds	-	19.12
	62.82	55.21
c. Investments held at FVTPL		
Shareholders' investments (quoted)		
Mutual funds	18.47	24.87
Policyholders' investments (quoted)		
Mutual funds	362.87	321.55
Assets held to cover linked liabilities (quoted):		
Government securities and government guaranteed bonds including treasury bills	147.99	128.99
Debentures/ bonds	11.47	20.21
Investments in infrastructure and social sector bonds	3.75	7.75
Mutual funds	78.98	100.24
Others (CBLO)	61.85	28.76
Net current assets		
Bank balances	0.31	1.13
Interest and dividend accrued on Investment	12.78	14.63
Outstanding contract (net)	(1.33)	(8.14)
Other current assets	5.89	13.71
Other current liabilities	(8.42)	(3.92)
	694.61	649.78
	918.21	848.48
(i) Aggregate book value of quoted investments	887.57	831.07
(ii) Aggregate market value of quoted investments	888.39	829.19
(iii) Aggregate book value of unquoted investments	30.64	-
(iv) Refer Note 52 for information about fair value measurement and Note 53 for credit risk and market risk of investment		

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

12 OTHER INVESTMENTS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Investments at FVTPL		
Units of mutual funds (unquoted)	66.77	247.92
Units of mutual funds (quoted)	10.02	10.03
	76.79	257.95
(i) Aggregate amount of quoted investment and market value thereof	10.02	10.03
(ii) Aggregate amount of unquoted investment	66.77	247.92
(iii) Refer Note 52 for information about fair value measurement and Note 53 for credit risk and market risk of investment		

13 TRADE RECEIVABLES (UNSECURED) (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Trade receivables, considered good - unsecured	1,088.12	1,255.29
Less: Loss allowance	27.29	10.26
	1,060.83	1,245.03

Carrying amount of trade receivables are pledged against borrowings Rs. 67.61 crs (PY: Rs. 227.03 crs). Refer Note 29.

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in Note 53.

14 CASH AND CASH EQUIVALENTS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Balances with banks on		
Current account	182.94	196.58
Deposits	136.09	84.99
b) Cheques, drafts in hand	9.97	44.90
c) Cash in hand *	2.47	14.47
	331.47	340.94

* Cash in hand include stamps on hand

15 OTHER BANK BALANCES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Unclaimed dividend account	9.72	8.85
b) Deposits**	0.41	0.10
	10.13	8.95

** Include Rs. 0.09 crs (PY : Rs. 0.09 crs) with commercial tax department (Govt. of J&K) as security under GST, Rs. 0.26 crs (PY : Rs. 0.01 crs) as margin money for Bank Guarantee and Rs. 0.06 crs (PY : NIL) are given as security deposit to customs.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

16 CURRENT LOANS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(i) Unsecured, considered good		
a) Loans to employees	4.29	2.73
b) Deposits	18.58	15.48
	22.87	18.21

17 OTHER FINANCIAL ASSETS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
a) Other receivables (rebates and discounts, etc.)	46.64	41.41
b) Income accrued on investments	282.94	270.88
c) Investments held to meet policyholders' dues	51.00	55.55
	380.58	367.84
d) Less: Loss allowance	4.32	-
	376.26	367.84

18 OTHER CURRENT ASSETS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
a) Other receivables and advances ^	73.84	53.81
b) Balances and deposit with Government Authorities	91.89	229.88
c) Prepaid expenses	33.10	24.07
Unsecured, considered doubtful		
a) Advances recoverable in cash or kind	3.62	3.62
	202.45	311.38
Less :- Provision for doubtful deposits and advances	3.62	3.62
	198.83	307.76

^ includes export incentive receivables aggregating to Rs. 17.99 crs (PY : NIL)

19 SHARE CAPITAL

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Authorised		
1,00,00,00,000 (PY: 1,00,00,00,000) equity shares of Re. 1 each	100.00	100.00
	100.00	100.00
b) Issued, subscribed & fully paid-up		
85,00,00,000 (PY: 85,00,00,000) equity shares of Re. 1 each	85.00	85.00
	85.00	85.00
There is no change in the number of shares in current year and last year.		
c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year		
Balance at the beginning and at the end of the year	85,00,00,000	85,00,00,000

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
d) Terms / rights attached to equity shares		
The Holding 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.		
In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Holding company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
e) Shares held by holding company		
Name of Shareholder	Number of Shares	
Chloride Eastern Limited, UK (considered to be Holding company by virtue of de-facto control) 45.99% (PY:45.99%)	39,09,54,666	39,09,54,666
f) Details of shareholders holding more than 5% shares in Company		
Name of Shareholder	Number of Shares	
Chloride Eastern Limited, UK holding 45.99 % (PY : 45.99 %)	39,09,54,666	39,09,54,666
As per records, including its register of shareholders / members and other declaration received from shareholders, the above shareholding represents legal ownership of shares.		

20 OTHER EQUITY

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Securities premium	737.88	737.88
Premium received on equity shares issued are recognised in the securities premium		
b) Retained earnings	5,383.68	5,118.74
Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shareholders. It also includes remeasurement gain/loss of defined benefit plans.		
c) Foreign currency translation reserve (FCTR)	(1.12)	(2.71)
Exchange differences on translating the financial statements of foreign operations		
d) Capital redemption reserve	0.80	0.80
The Group has created the reserve on account of buy back of shares from minority shareholders of a Component.		
e) Capital reserve	2.89	2.89
Capital reserve created on consolidation		
f) Items of other comprehensive income		
- Fair value of equity instruments through OCI	45.46	149.08
Changes in fair value of equity instruments recorded in other comprehensive income		
- Fair value of debt instruments through OCI	212.73	15.18
Changes in fair value of debt instruments recorded in other comprehensive income		
	6,382.32	6,021.86

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

21 NON-CONTROLLING INTEREST

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Balance as at the commencement of the reporting year	33.00	18.09
Add: Share of profit attributable to non-controlling interest	(14.27)	1.80
Add: Consideration paid by non-controlling interest	28.21	13.77
Less: Dividend paid to non-controlling interest	-	0.66
Balance as at the end of the reporting year	46.94	33.00

Note:

The group acquired 74.99% stake in ELEPL on 29 September 2018 (the date of incorporation). An amount of Rs.13.77 crs was contributed by non-controlling interest for acquiring the balance 25.01% stake in ELEPL during the previous year.

22 BORROWINGS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Non-current portion		
Term loan from bank (secured) #	2.73	3.35
Bank loans (unsecured)	6.12	6.40
	8.85	9.75
Current maturities		
Term loan from banks (secured) #	3.27	4.17
	3.27	4.17
Less : Amount disclosed under the head "other current financial liabilities" (refer note 31)	3.27	4.17
	-	-

Secured by hypothecation of Plant & Machinery of ABML. Repayable in 36 months.

23 NON-CURRENT TRADE PAYABLES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Trade payable for goods & services		
Total outstanding dues of micro and small enterprises (refer Note 48)	-	-
Total outstanding dues of creditors other than micro and small enterprises	5.74	5.23
	5.74	5.23

24 OTHER NON-CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Payables for capital goods	3.42	2.26
Other payables	3.92	0.47
	7.34	2.73

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

25 NON CURRENT PROVISIONS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Provision for employee benefits (refer Note 46)		
Post retirement medical benefits	4.55	4.27
Gratuity	21.47	6.50
Pension	3.42	3.62
Compensated absences	41.57	36.78
Others		
Provision for rent equalisation	-	2.43
Provision for site restoration liabilities	1.53	1.38
	72.54	54.98
Provisions for site restoration		
A provision is recognised for site restoration liabilities on leasehold lands taken by the Group:		
Opening balance	1.38	1.25
Add: Interest accrued on the provision during the year	0.15	0.13
Closing balance	1.53	1.38
Provisions for rent equalisation		
The Group has recognised rent equalisation liabilities for the properties taken on rent. The same has been adjusted on transitioning to Ind AS 116. The movement of non-current provisions (in note above) and current provisions (in Note 33) is as follows:		
Opening balance	2.89	3.17
Add: Provision created during the year	-	-
Less: Utilised / reversed during the year	2.89	0.28
Closing balance	-	2.89

26 NON-CURRENT INSURANCE CONTRACT LIABILITIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Policy liabilities		
Insurance contracts liabilities*		
- Par	7,621.97	6,150.83
- Par pension	10.85	-
- Non par	2,861.67	2,431.27
- Annuity	133.23	75.62
- VIP non par pension	965.39	914.23
Provision for linked liabilities	1,365.63	1,516.32
Fair value change (linked)	(61.24)	225.02
Non-unit liabilities	10.37	9.73
	12,907.87	11,323.02

* For movement of policyholders' funds, funds for discontinued policies, funds for future appropriation and embedded derivative liability - refer Note 55.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

27 INVESTMENT CONTRACT LIABILITIES**

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
- Pension	738.25	860.27
- VIP non par pension	5.79	22.20
- Linked	141.41	191.22
	885.45	1,073.69

**For movement of investment contracts liabilities - refer Note 56.

28 DEFERRED TAX LIABILITY (NET)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Deferred tax liability	148.08	225.75
b) Deferred tax assets	56.36	53.37
	91.72	172.38

Movement in deferred tax (liabilities) / assets balances:

	(Rs. in Crores)			
2019-20	April 01, 2019	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	Effect of foreign exchange
Deferred tax liability:				
Arising out of temporary difference in depreciable assets	(220.99)	76.80	-	(0.07)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(4.76)	0.94	-	-
Deferred tax assets:				
On expenses allowable against taxable income in future years	41.71	(5.58)	-	0.05
On lease liabilities (net of Right of use assets)	-	0.16	-	-
On unabsorbed depreciation and business loss	10.24	6.49	-	0.02
Unrealised gain on investment	0.92	(0.05)	2.04	-
Others	0.50	(0.14)	-	-
	(172.38)	78.62	2.04	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

	April 01, 2018	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	Effect of foreign exchange	(Rs. in Crores) March 31, 2019
2018-19					
Deferred tax liability:					
Arising out of temporary difference in depreciable assets	(184.50)	(36.66)	-	0.17	(220.99)
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	(11.23)	6.47	-	-	(4.76)
Unrealised gain on investment	(0.49)	(0.06)	1.47	-	0.92
Deferred tax assets:					
On expenses allowable against taxable income in future years	44.32	(2.64)	-	0.03	41.71
On unabsorbed depreciation and business loss	9.95	0.28	-	0.01	10.24
Others	1.06	(0.56)	-	-	0.50
	(140.89)	(33.17)	1.47	0.21	(172.38)

	March 31, 2020		March 31, 2019	
	Rate	Rs. in Crores	Rate	Rs. in Crores
Reconciliation of statutory rate of tax and effective rate of tax:				
At India's statutory income tax rate of 25.17% (PY: 34.94%)	25.17%	244.62	34.94%	436.45
Adjustments:				
Impact of reduction in corporate tax rate	-5.22%	(50.78)	-	-
Non-deductible expenses for tax purposes	0.63%	6.15	0.60%	7.46
Exempt income for tax purposes	-0.53%	(5.16)	-0.47%	(5.89)
Various allowances claimed under Income Tax Act, 1961	-0.11%	(1.04)	-0.53%	(6.57)
Indexation benefit on sale of capital asset as per Income tax Act	-0.12%	(1.18)	-1.97%	(24.58)
Impact of lower tax rate on certain items	0.00%	-	-0.38%	(4.77)
Current year losses for which no deferred tax asset is recognised	0.51%	4.93	0.06%	0.76
Impact of differential tax rate of Indian/Foreign jurisdiction	0.30%	2.96	0.09%	1.16
Others including tax impact of earlier years	0.92%	8.90	-0.18%	(2.36)
Total tax expense	21.55%	209.40	32.16%	401.66

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Breakup of tax expense is as follows:		
Current tax		
Current period	285.10	372.78
Prior period	2.92	(4.29)
Deferred tax		
Origination and reversal of temporary differences	(78.62)	33.17
Total tax expenses	209.40	401.66

- i) The Holding Company and some of its subsidiaries has exercised the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Holding Company and some of its subsidiaries have recognised current tax expense for the year ended March 31, 2020 and remeasured its Deferred Tax Liabilities (net) basis the rate prescribed in the said section.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

- ii) ELI has recognised deferred tax asset of Rs. 8.96 crs (PY: Rs. 9.61 crs) on unabsorbed business losses and unabsorbed depreciation based on future projections of availability of sufficient taxable profits.
- iii) ELEPL has not recognised deferred tax asset of Rs. 5.69 crs (PY: Rs. 0.76 crs) on temporary difference in depreciable assets, unabsorbed business losses and unabsorbed depreciation due to lack of convincing evidence that sufficient taxable profit will be available against which the unused tax losses can be utilised by the Company.

Unabsorbed depreciation does not get expired. The unabsorbed business loss can be carried forward only for a period of 8 years from the year they arise. Accordingly, unabsorbed business loss will expire in 2028.

- iv) Certain subsidiaries of the group have undistributed earnings of Rs. 99.86 crs (PY: Rs. 136.06 crs) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from these subsidiaries and is not expected to distribute these profits in the foreseeable future.

29 BORROWINGS (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Bank overdraft and cash credits (secured)	27.80	61.10
Import loan from banks (secured)	30.73	14.01
	58.53	75.11

Bank overdraft

- i. Includes Rs. 19.82 crs (PY : Rs. 7.82 crs) of CPSSL secured by hypothecation of raw materials, finished stock, work-in-progress, book debts and other receivables. Repayable on demand.
- ii. Includes Rs. 7.98 crs (PY: Rs. 9.42 crs) of ABML secured by hypothecation of inventory and trade receivables. Repayable on demand.
- iii. Includes Rs. NIL (PY: Rs. 43.86 crs) of CML, secured by creating primary charge on stock and book debts. Repayable on demand.

Import Loan

Secured by hypothecation of the plant & machinery, land & building, inventories and trade receivables of ABML. Repayable on demand.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

30 TRADE PAYABLES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Trade payable for goods & services		
Total outstanding dues of Micro and small enterprises (refer Note 48)	132.78	32.10
Total outstanding dues of creditors other than Micro and small enterprises	1,369.75	1,401.26
b) Acceptances	103.04	143.50
	1,605.57	1,576.86

Refer Note 53 for information about liquidity risk and market risk related to trade payables. Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms. For terms and conditions with related parties, refer to Note 49

31 OTHER CURRENT FINANCIAL LIABILITIES (AT AMORTISED COST)

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Current maturities of long term debt	3.27	4.17
b) Unclaimed dividends (to be credited to Investor Education and Protection Fund as and when due)	9.72	8.85
c) Other payables -		
For selling and distribution costs	143.96	235.93
For capital goods	60.09	83.64
For other expenses [includes employee payables] #	86.48	70.31
For policy deposits and last day units (net)	56.72	66.97
	360.24	469.87

other liabilities includes employee related liabilities aggregating to Rs. 64.42 crs (PY: Rs. 55.06 crs)

- i. There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31 March 2020.
- ii. Other payables for selling and distribution costs represents outstanding liabilities for incentives and trade schemes, etc.

32 OTHER CURRENT LIABILITIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Taxes and duties payable	86.47	153.57
b) Advances from customers	39.75	42.70
b) Deferred revenue *	59.34	36.04
	185.56	232.31

*Deferred revenue relates to loyalty credit points granted to the customers as part of sales transactions and has been estimated with reference to the fair value of the products for which they could be redeemed.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

33 CURRENT PROVISIONS

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
a) Provision for employee benefits (refer Note 46)		
Post retirement medical benefits	0.38	0.35
Compensated absences	4.98	4.44
Gratuity	3.50	0.06
b) Others		
Provision for rent equalisation	-	0.46
Provision for warranty claims	243.72	217.26
Provision for litigations and tax disputes	54.19	54.19
	306.77	276.76
Provisions for warranties		
A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. The table below gives information about movement in warranty provision :		
Opening balance	217.26	179.48
Add: Provision created during the year	268.08	265.71
Less: Utilised against warranty claims during the year	241.75	227.92
Effect of foreign exchange	0.13	(0.01)
Closing balance	243.72	217.26
Provisions for litigations and tax disputes		
The Group has estimated the provisions for pending litigation, claims and demands relating to indirect taxes based on its assessment of probability for these demands crystallising against the Group in due course :		
Opening balance	54.19	54.19
Add: Provision created during the year	-	-
Closing balance	54.19	54.19

34(a) INSURANCE CONTRACT LIABILITIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Policy liabilities		
Insurance contracts liabilities*		
- Par	143.74	600.60
- Par pension	1.13	-
- Non par	306.91	127.63
- VIP non par pension	23.31	0.81
Provision for linked liabilities	130.30	12.12
	605.39	741.16

* For movement of policyholders' funds, funds for discontinued policies, funds for future appropriation and embedded derivative liability - refer Note 55.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

34(b) INVESTMENT CONTRACT LIABILITIES**

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
- Pension	104.57	-
- VIP non par pension ^	-	-
- Linked ^	-	-
	104.57	-

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

**For movement of investment contracts liabilities - refer Note 56

35 REVENUE FROM OPERATIONS

	(Rs. in Crores)	
	2019-20	2018-19
Sale of products	10,094.52	10,865.51
Sale of services (related to life insurance business)		
Life Insurance premium (net of premium ceded on re-insurers on Insurance contract)	3,084.84	2,756.78
Other operating income related to life insurance business		
Net realised gains and losses from disposal of investments	214.57	85.88
Investment income	988.15	861.13
Gain on fair value of financial assets	-	84.21
Other operating income		
Sale of scrap	16.45	17.75
Income from service / installation	38.22	41.13
Export incentive	34.26	8.49
	14,471.01	14,720.88

Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, GST etc.

Disaggregation of revenue based on industry vertical and customers profile (other than insurance business)

	(Rs. in Crores)	
	2019-20	2018-19
Institutional sales	3,250.57	3,701.60
Non-institutional sales	6,898.62	7,222.79
	10,149.19	10,924.39

Disaggregation based on geography

	(Rs. in Crores)	
	2019-20	2018-19
India	9,215.32	10,009.25
Outside India	933.87	915.14
	10,149.19	10,924.39

Geographic location is based on the location of customers

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2020 and March 31, 2019.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

Changes in deferred revenue are as follows:

	(Rs. in Crores)	
	2019-20	2018-19
Balance at the beginning of the year	36.04	62.32
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(33.20)	(22.41)
Other adjustments for credit notes	(2.84)	(28.62)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	59.34	24.75
Balance at the end of the year	59.34	36.04

Reconciliation of revenue recognised with the contracted price is as follows:

	(Rs. in Crores)	
	2019-20	2018-19
Contracted revenue	10,595.35	11,386.61
Reduction towards variable consideration components	(446.16)	(462.22)
Revenue recognised	10,149.19	10,924.39

The reduction towards variable consideration comprises of discounts, incentive etc.

Contract balances

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
Trade receivables	1,060.94	1,245.21
Contract liabilities	59.34	36.04
	1,001.60	1,209.17

36 OTHER INCOME

	(Rs. in Crores)	
	2019-20	2018-19
Interest income on:		
Bank deposits	0.11	0.05
Income tax refunds	4.79	3.10
Financial assets carried at amortised cost	1.78	0.71
Others	-	0.24
Dividend income on current investments	20.52	11.08
Other non-operating income		
Gain on fair value of investments in mutual funds units designated at FVTPL	1.44	0.48
Net foreign exchange gain	11.53	9.21
Profit on sale of property, plant and equipments (net)	7.32	-
Others	14.39	15.01
	61.88	39.88

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

37 COST OF MATERIALS CONSUMED

	(Rs. in Crores)	
	2019-20	2018-19
Opening stock	552.90	559.68
Add: Purchases	6,695.07	7,069.44
	7,247.97	7,629.12
Less: Closing Stock	680.58	552.90
	6,567.39	7,076.22

Cost of material consumed includes net proceeds from scrap batteries

38 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	(Rs. in Crores)	
	2019-20	2018-19
Opening Stock		
Work-in-progress	636.90	524.94
Finished goods	785.70	846.25
Stock-in-trade	42.46	37.17
	1,465.06	1,408.36
Closing Stock		
Work-in-progress	754.01	636.90
Finished goods	885.26	785.70
Stock-in-trade	44.93	42.46
	1,684.20	1,465.06
Net increase in inventories of finished goods, work-in-progress and stock-in-trade	(219.14)	(56.70)

39 EMPLOYEE BENEFIT EXPENSES

	(Rs. in Crores)	
	2019-20	2018-19
Salaries, wages and bonus	978.58	887.17
Contribution to provident and other funds (Refer Note 46)	60.96	54.90
Staff welfare expenses	79.39	92.18
	1,118.93	1,034.25

40 CHANGE IN VALUATION OF LIABILITY IN RESPECT OF LIFE INSURANCE POLICIES IN FORCE

	(Rs. in Crores)	
	2019-20	2018-19
Change in valuation of liability in respect of life insurance policies in force	1,423.27	1,664.56
Surplus/(deficit) in par and unit linked funds adjusted from existing surplus	235.56	101.81
Release from funds for future appropriation	(35.97)	(31.81)
	1,622.86	1,734.56

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

41 FINANCE COSTS

	(Rs. in Crores)	
	2019-20	2018-19
Interest expenses	84.68	107.07
Interest on lease liabilities	11.91	-
Exchange difference to the extent considered as an adjustment to borrowing cost	-	0.01
	96.59	107.08

Income earned by the group on investments pertaining to investment contracts of Rs. 71.13 crs (PY: Rs. 94.89 crs) needs to be repaid to the policyholders as part of benefits paid. Therefore, the same forms part of the finance cost in the statement of profit and loss.

42 DEPRECIATION AND AMORTISATION

	(Rs. in Crores)	
	2019-20	2018-19
Depreciation of property, plant and equipments	373.23	328.49
Amortisation of intangible assets	15.58	15.05
Depreciation of right-of-use asset	28.77	-
	417.58	343.54

43 OTHER EXPENSES

	(Rs. in Crores)	
	2019-20	2018-19
Stores and spare parts consumed	76.92	93.04
Power and fuel	382.56	383.58
Battery charging / battery assembly expenses	92.75	106.68
Repairs and maintenance		
Buildings	8.43	11.03
Plant and machinery	60.26	62.90
Others	14.11	13.02
Software expenses	39.86	12.99
Rent and hire charges	49.31	78.38
Rates and taxes	36.11	32.08
Insurance	10.11	10.56
Commission	217.07	189.53
Royalty and technical aid fees	53.40	53.31
Benefit paid to life insurance policyholders	1,248.47	1,025.20
Warranty expenses	268.08	263.88
Publicity and sales promotion	280.32	296.39
Freight and forwarding (net)	298.71	318.08
After sales services	68.11	67.09
Clearing and forwarding expenses	36.06	34.55
Travelling and conveyance	56.85	61.87
Bank charges	11.60	10.02
Communication costs	8.86	10.24
Donations	0.02	0.06
Loss on of property, plant and equipments (net) sold/ discarded (net)	-	0.29
Provision for expected credit loss on investments	27.98	-
Loss on fair value of financial assets	292.52	-
Miscellaneous expenses (refer Note 43.1)	242.19	193.34
	3,880.66	3,328.10

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

43.1 MISCELLANEOUS EXPENSES

	(Rs. in Crores)	
	2019-20	2018-19
Motor vehicle running expenses	7.95	7.57
Consultancy and services outsourced	132.62	91.09
Security service charges	12.05	12.10
General expenses	23.16	18.17
Legal expenses	2.62	6.47
Printing and stationery	9.04	10.48
Total quality management expenses	0.10	0.87
Corporate social responsibility expenses	22.53	21.55
Pollution control expenses	9.61	9.59
Testing charges	1.77	0.99
Liquidated damages	3.30	4.77
Battery erection / installation costs	17.44	9.69
	242.19	193.34

44 EARNINGS PER SHARE (EPS)

	2019-20	2018-19
Details for calculation of basic and diluted earning per share:		
Profit for the year attributable to owners of the Company (Rs. in Crores)	776.75	845.55
Weighted average number of equity share (Numbers)	85.00	85.00
Basic and diluted earning per share (Rs.)	9.14	9.95

45 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Group based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows:

(a) Estimation of uncertainty due to COVID-19 pandemic

(i) Relating to life insurance business

The Group has assessed the impact of COVID-19 on the operations as well as the financial statements of Exide Life Insurance Company

Limited (ELI), a subsidiary, including but not limited to the areas of valuation of investment assets, valuation of policy liabilities and solvency, for the year ended March 31, 2020, based on inputs currently available with ELI. The extent to which COVID-19 pandemic will affect ELI's performance particularly in the areas of revenue, claims, carrying value of investments, solvency margin etc. will depend on future developments, which are presently uncertain. The Group will continue to monitor any future changes to the business and financial results of ELI due to COVID-19.

There have been no material changes in the controls or processes followed in the financial statement closing process pertaining to ELI.

Keeping the policyholders' interest in mind the Group has provided operational convenience to the policyholders' to reinstate their policies within April 30, 2020 without paying any additional fees, if the policies have lapsed

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

due to non-payment of renewal premiums due between February 15, 2020 to February 29, 2020. Further, in line with IRDAI circular dated April 4, 2020, and May 9, 2020, the grace period for the renewal premiums due in the months of March and April 2020 has been extended by 60 days, i.e. till May 31, 2020.”

- (ii) Apart from the management’s assessment pertaining to ELI as stated in above note, the Group has also considered the possible risk that may result from the pandemic relating to COVID-19 on the carrying amounts of assets including inventories, receivables, investments and other financial and non-financial assets. As per the assessment carried out by the management based on the internal and external information available upto the date of approval of these consolidated financial statements, the Group does not foresee any uncertainty related to recoverability or liquidation of the aforesaid assets and also about the ability of the non-financial assets to generate future economic benefits.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

(b) Employee benefit plans

The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 46.

(c) Fair value measurement and impairment of investments

The fair value of unquoted investments are determined using valuation methods which involves

making various assumptions that may differ from actual developments in the future. For further details refer Note 52. Further the management makes various estimates with respect to impairment of investments. Refer Note 53 for further details.

(d) Revenue recognition and customer loyalty programme

The Group estimates the fair value of points awarded under the incentive schemes based on past trend of similar incentive schemes and by applying a budgeted incentive payout rate. Inputs include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. Refer Notes 31 and 32 for further details.

(e) Warranty, Non discounting to warranty

The Group estimates the provision for warranty based on past trend of actual issues of batteries under warranty. As at 31 March 2020, the estimated liability towards warranty aggregated to Rs. 243.72 crs (PY : Rs. 217.26 crs). For further details refer Note 33.

The provision towards warranty is not discounted as the management, based on past trend, expects to use the provision within twelve months after the Balance Sheet date.

(f) Liability for policies related to life insurance business

Liability for policies in force and for policies in respect of which premium has been discontinued but liability exists, are determined using actuarial valuation which involves making various assumptions like interest rates, mortality, morbidity etc. that may differ from actual developments in the future. For further details refer Note 50.

(g) Provision for litigations and tax disputes

The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 33.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

46 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

(Rs. in Crores)

	2019-20			2018-19		
	GRATUITY (Funded)	PENSION (Funded)	PRMB (Unfunded)	GRATUITY (Funded)	PENSION (Funded)	PRMB (Unfunded)
I Expenses recognised in the statement of Profit & Loss						
1. Current service cost	10.37	-	0.04	9.86	-	0.03
2. Interest cost	8.22	0.27	0.35	7.56	0.29	0.33
3. Expected return on plan assets	(7.88)	(0.03)	-	(7.03)	(0.04)	-
4. Past service cost - plan amendments	0.16	-	-	-	-	-
5. Total	10.87	0.24	0.39	10.39	0.25	0.36
Expenses recognised in OCI						
6. Actuarial (gains) / losses	12.20	0.29	0.14	(2.90)	(0.14)	(0.33)
7. Total expense	23.06	0.53	0.53	7.48	0.11	0.03
II Net asset / (Liability) recognised in the Balance Sheet						
1. Present value of defined benefit obligation	135.55	3.85	4.93	116.97	4.02	4.62
2. Fair value of plan assets	110.58	0.43	-	110.41	0.40	-
3. Net asset / (liability)	(24.97)	(3.42)	(4.93)	(6.56)	(3.62)	(4.62)
III Change in obligation during the year						
1. Present value of defined benefit obligation at the beginning of the year	116.97	4.02	4.62	112.65	4.43	4.86
2. Current service cost, past service cost and plan amendments	10.53	-	0.04	9.86	-	0.03
3. Interest cost	8.22	0.27	0.35	7.55	0.29	0.33
4. Benefits paid	(11.77)	(0.73)	(0.22)	(10.06)	(0.56)	(0.27)
5. Actuarial (gains) / losses						
Arising from changes in experience	3.92	0.21	(0.18)	0.98	(0.09)	(0.13)
Arising from changes in demographic assumptions	(0.89)	-	-	-	-	-
Arising from changes in financial assumptions	8.57	0.08	0.32	(4.01)	(0.05)	(0.20)
Total	11.60	0.29	0.14	(3.03)	(0.14)	(0.33)
6. Present value of defined benefit obligation at the end of the year	135.55	3.85	4.93	116.97	4.02	4.62
IV Change in the fair value of plan assets during the year						
1. Plan assets at the beginning of the year	110.41	0.40	-	98.86	0.92	-
2. Expected return on plan assets	7.88	0.03	-	7.03	0.04	-
3. Contribution by employer	4.54	0.73	-	14.43	-	-
4. Transfers	-	-	-	-	-	-
5. Actual benefits paid	(11.65)	(0.73)	-	(9.78)	(0.56)	-
6. Actuarial gains / (losses)	(0.60)	-	-	(0.13)	-	-
7. Plan assets at the end of the year	110.58	0.43	-	110.41	0.40	-
8. Actual return on plan assets	7.28	0.03	-	6.90	0.04	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

(Rs. in Crores)						
	2019-20			2018-19		
	GRATUITY (Funded)	PENSION (Funded)	PRMB (Unfunded)	GRATUITY (Funded)	PENSION (Funded)	PRMB (Unfunded)
V The major categories of plan assets as a percentage of the fair value of total plan assets						
Investments with insurer (except for few components which are unfunded)	100%	100%	-	100%	100%	-
VI Maturity profile of the defined benefit obligation						
Weighted average duration of the defined benefit obligation	3-11 years	3 years	9 years	5-8years	4 years	9 years
Expected benefit payments for the year ending						
Not later than 1 year	9.13	0.69	0.38	8.85	0.78	0.36
Later than 1 year and not later than 5 years	55.14	2.69	1.69	48.86	2.62	1.76
More than 5 years	78.79	1.09	2.14	70.93	1.44	2.12

VII Actuarial Assumptions

- | | |
|--------------------------------|--|
| 1. Discount rate | 5.55% - 6.7% p.a (March 31, 2019: 7 - 7.5% p.a.) |
| 2. Mortality pre retirement | Indian Assured Lives Mortality (2006-08) (modified) Ult. ELI: 100% of IALM (2012-14) |
| 3. Mortality post retirement | LIC (1996-98) Ultimate |
| 4. Employee turnover rate | 2% (March 31, 2019: 2%) |
| 5. Expected increase in salary | |
| - executive staff | 10 % p.a (March 31, 2019: 10% p.a.) |
| - other management staff | 5 - 8 % p.a (March 31, 2019: 5 - 8% p.a.) |
| - non-management staff | 5 % p.a (March 31, 2019: 5% p.a.) |

VIII In 2020-21 the Group expects to contribute Rs. 18.42 crs (2019-20: Rs. 4.25 crs) to gratuity and Rs. 3.40 crs (2019-20: Rs. 3.60 crs) to Pension funds.

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

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

XI The Group's Contribution to Provident and Other Funds includes Rs. 49.46 crs (2018-19 - Rs. 38.17 crs) paid towards defined contribution plans.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

XII Net asset / (liability) recognised in the Balance Sheet and experience actuarial (gain) / loss on plan assets and liabilities

	(Rs. in Crores)	
	2019-20	2018-19
1 Gratuity		
Defined benefit obligation	135.55	116.97
Plan assets	110.58	110.41
Surplus / (deficit)	(24.97)	(6.56)
Experience (gain) / loss adjustments on plan liabilities	3.92	0.98
Experience gain / (loss) adjustments on plan assets	(0.60)	(0.13)
2 Pension		
Defined benefit obligation	3.85	4.02
Plan assets	0.43	0.40
Surplus / (deficit)	(3.42)	(3.62)
Experience (gain) / loss adjustments on plan liabilities	0.21	(0.09)
Experience gain / (loss) adjustments on plan assets	-	-
3 Post-retirement medical benefit		
Defined benefit obligation	4.93	4.62
Experience (gain) / loss adjustments on plan liabilities	(0.18)	(0.13)

XIII The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

	March 31, 2020		March 31, 2019	
	Discount rate (a)		Discount rate (a)	
Assumptions				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on retiral benefits	(9.87)	11.29	(8.15)	9.41
Assumptions				
	Future salary increases (b)		Future salary increases (b)	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on retiral benefits	10.21	(9.20)	8.6	(7.62)

(a) Based on interest rates of government bonds

(b) Based on management estimate

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

47 COMMITMENTS AND CONTINGENCIES

	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(i) Capital and other commitments		
Commitment for acquisition of fixed assets	599.16	903.01
Commitment for investment	49.85	22.48
	649.01	925.49
	(Rs. in Crores)	
	March 31, 2020	March 31, 2019
(ii) Contingent liabilities		
Guarantees excluding financial guarantees		
Outstanding bank guarantees / indemnity bonds	71.19	56.33
Claims against the Group not acknowledged as debt		
Sales tax demands	9.63	30.68
Excise duty demands	4.82	39.37
Service tax demands	253.56	259.46
Income tax demands	4.23	11.03
Contractual obligation related to insurance business		
Policy claims under dispute	28.39	8.00
Claim under arbitration [refer note (i)]	66.04	56.93
Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court	Not Ascertainable	Not Ascertainable
	437.86	461.80

- (i) Kotak Mahindra Bank (erstwhile ING Vysya Bank Ltd) has invoked Arbitration proceedings against the Exide Life Insurance Co. Ltd (ELI) as per the Corporate Agency Agreement for payment of renewal commission post termination of agency agreement by them. The ELI has maintained that as per law, no renewal commission is payable to Kotak Mahindra Bank (Erstwhile ING Vysya Bank Ltd) since the Corporate Agency was terminated by Kotak Mahindra Bank itself and on account of Kotak Mahindra Bank becoming the corporate agent of Kotak Mahindra Old Mutual Life Insurance Ltd, post issuance of NOC by ELI. The ELI's stance is supported by opinions from reputed firm of Advocates and Solicitors. The disputed amount for the period beginning 01.12.2014 to 31.03.2020 is Rs. 66.04 crs.

48 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

	(Rs. in Crores)	
	2019-20	2018-19
Principal and interest amount remaining unpaid		
- Principal	132.78	32.10
- Interest	-	-
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	0.02	0.01
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	0.14	0.14

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

49 RELATED PARTY DISCLOSURE:

i) Particulars of related parties:

A. Where control exists	
1. Enterprise / Individuals having a direct or indirect control over the Group	Chloride Eastern Limited, UK. (CEL) Chloride Eastern Industries Pte Limited, Singapore (CEIL) LIEC Holdings SA , Switzerland Mr. S. B. Raheja
B. Where significant influence exists	
Associates	CSE Solar Sunpark Maharashtra Private Limited (CSSMPL) CSE Solar Sunpark Tamil Nadu Private Limited (CSSTPL) Greenyana Solar Private Limited (GSPL)
C. Others	
1. Key Management Personnel (As on 31st March, 2020)	Mr. Bharat D. Shah, Director Mr. R. B. Raheja, Director Mr. G Chatterjee, Whole Time Director Mr. Subir Chakraborty, Whole Time Director Mr. Nawshir H. Mirza, Director Mr. Vijay Agarwal (upto August 3, 2019) Mr. Sudhir Chand, Director Ms. Mona N. Desai, Director Mr. Surin S. Kapadia, Director Mr. A K Mukherjee, Whole Time Director Mr. Arun Mittal, Whole Time Director Mr. Jitendra Kumar, Company Secretary Mr. Kshitij Jain, Managing Director & Chief Executive Officer (ELI) Mr. C Anil Kumar, Chief Financial Officer (ELI) Mr. Atanu Sen, Director (ELI) Mr. Vinayak Aggarwal, Director (ELI) Mr. Manas Ranjan Panda , Company Secretary (ELI) Mr. Rangarajan B N, Appointed Actuary & CRO (ELI)
2 Name of the Entities in which Individuals with direct/indirect control over the Group have significant influence or is a member of Key Managerial Personnel with whom transactions have happened during the year	Shalini Construction Company Private Limited Peninsula Estates Private Limited Raheja QBE General Insurance Company Limited Asianet Satellite Communication Private Limited Hathway Cable & Datacom Limited Prism Johnson Ltd (earlier Prism Cement Ltd.) Juhu Beach Resort Limited Sonata Software Limited Outlook Publishing (India) Private Limited Hathway Investment Pvt Ltd
3 Employees Trusts where there is significant influence	The Chloride Officers' Provident Fund (COPF) Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

49 RELATED PARTY DISCLOSURE (CONTINUED):

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

	Enterprise/ Individuals having direct or indirect control	Enterprise / Individuals on which there is significant influence	Key management personnel	Entities in which Individuals with direct/indirect control over the Group have significant influence or is a member of Key Managerial Personnel	Employees Trust	(Rs. in Crores) Total
	Transaction value	Transaction value	Transaction value	Transaction value	Transaction value	Transaction value
Technical Assistance Expenses						
- Chloride Eastern Industries Pte Ltd.	0.13	-	-	-	-	0.13
	(0.13)	-	-	-	-	(0.13)
Life insurance premium received						
- Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	-	-	14.00	14.00
	-	-	-	-	(4.50)	(4.50)
- Raheja QBE General Insurance Company Limited	-	-	-	0.08	-	0.08
	-	-	-	(0.02)	-	(0.02)
- Asianet Satellite Communication Private Limited	-	-	-	0.13	-	0.13
	-	-	-	-	-	-
- Hathway Cable & Datacom Limited	-	-	-	-	-	-
	-	-	-	(0.54)	-	(0.54)
- Juhu Beach Resort Limited	-	-	-	0.03	-	0.03
	-	-	-	-	-	-
- Sonata Software Limited	-	-	-	0.32	-	0.32
	-	-	-	(0.32)	-	(0.32)
- Outlook Publishing (India) Private Limited	-	-	-	0.01	-	0.01
	-	-	-	(0.01)	-	(0.01)
- Prism Johnson Limited	-	-	-	1.42	-	1.42
	-	-	-	(1.80)	-	(1.80)
- Key Management Personnel	-	-	0.14	-	-	0.14
	-	-	(0.14)	-	-	(0.14)
Benefits paid						
- Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	-	-	2.39	2.39
	-	-	-	-	(2.01)	(2.01)

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

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

	Enterprise/ Individuals having direct or indirect control	Enterprise / Individuals on which there is significant influence	Key management personnel	Entities in which Individuals with direct/indirect control over the Group have significant influence or is a member of Key Managerial Personnel	Employees Trust	(Rs. in Crores) Total
	Transaction value	Transaction value	Transaction value	Transaction value	Transaction value	Transaction value
- Hathway Cable & Datacom Limited	-	-	-	-	-	-
- Sonata Software Limited	-	-	-	(0.29)	-	(0.29)
- Prism Johnson Limited	-	-	-	0.60	-	0.60
	-	-	-	-	-	-
	-	-	-	1.69	-	1.69
	-	-	-	(1.97)	-	(1.97)
Contributions to employees benefit plans						
- The Chloride Officers' Provident Fund	-	-	-	-	22.12	22.12
	-	-	-	-	(20.40)	(20.40)
Services provided by the Company - Premium Paid						
- Raheja QBE General Insurance Company Limited	-	-	-	0.04	-	0.04
	-	-	-	(0.12)	-	(0.12)
- Sonata Software Limited	-	-	-	-	-	-
	-	-	-	(4.49)	-	(4.49)
Rent and Maintenance Costs						
- Shalini Construction	-	-	-	0.71	-	0.71
	-	-	-	(0.69)	-	(0.69)
- Peninsula Estates	-	-	-	0.18	-	0.18
	-	-	-	(0.17)	-	(0.17)
Insurance Expenses						
- Raheja QBE General Insurance Company Limited	-	-	-	0.02	-	0.02
	-	-	-	(0.01)	-	(0.01)
Investments during the year						
- CSSMPL	-	7.24	-	-	-	7.24
	-	-	-	-	-	-
- CSSTPL	-	10.87	-	-	-	10.87
	-	-	-	-	-	-
- GSPL	-	5.25	-	-	-	5.25
	-	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

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

(Rs. in Crores)						
	Enterprise/ Individuals having direct or indirect control	Enterprise / Individuals on which there is significant influence	Key management personnel	Entities in which Individuals with direct/indirect control over the Group have significant influence or is a member of Key Managerial Personnel	Employees Trust	Total
	Transaction value	Transaction value	Transaction value	Transaction value	Transaction value	Transaction value
Remuneration *						
Short term employee benefits (including commission and sitting fees)	-	-	20.16	-	-	20.16
	-	-	(19.75)	-	-	(19.75)
Post retirement benefits	-	-	1.55	-	-	1.55
	-	-	(1.45)	-	-	(1.45)

* Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

Transaction amount disclosed above are inclusive of tax, wherever applicable figures for the previous years are in brackets

iii) Details of amounts due to or due from related parties as at March 31, 2020 and March 31, 2019 are as follows:

(Rs. in Crores)		
Particulars	As at March 31, 2020	As at March 31, 2019
Investments made in the funds of the Company		
- Hathway Cable & Datacom Limited	-	10.17
Contribution to Employees Benefit Plans payable		
- The Chloride Officers' Provident Fund	1.86	1.71
Amounts due to Key Managerial Personnel (Short term employee benefits)	5.91	6.83

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (PY: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

50 ACTUARIAL METHOD AND ASSUMPTIONS RELATED TO 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 IRDAI and relevant actuarial practice standards issued by Institute of Actuaries of India.

(a) Traditional individual business

The Liability on a policy is calculated using the 'Gross Premium Method', representing the present value of expected future outgo including benefits (including future bonuses for participating policies) and future expenses less present value of expected future premium. Further, a reserve for death claims that may have been Incurred But Not yet Reported to the Group (IBNR) is also maintained. The reserves for the Best Years Retirement Plan, Exide Life New Best Year Retirement Plan, Exide Life Golden Years and Exide Life Assured Return have been set up as the sum of the policy fund balances as at 31 March 2020 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 (2012-14) - Modified Ultimate\ Annuitant tables a9698 and varies between 66% and 148.5% of the table (last year 60% and 180% of Indian Assured Lives Mortality Table (2006-08). Morbidity assumption is based on the CIBT 93 Table. For CI riders, mortality assumption is 65.5% (Last Year's 60.8%). For term products, mortality assumption varies between 29.7% - 100% of the Indian Assured Lives Mortality Table (2012-14) - Modified Ultimate (Last Year mortality assumptions for term products were 20.5% - 100% of the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate).

ii. Expenses:

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

iii. Valuation discount rate:

Between 6.0% to 7.65% p.a. for all products (Last Year between 6.0% to 7.65% 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 Group.

v. Longevity:

Mortality for annuity products are considered as per Indian annuitant table 96-98 : 63% up to age 80 & 81% thereafter of LIC a9698 with 1.3% p.a improvement.

Margins for adverse deviation

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

(b) Linked individual business

The reserves held under the unit-linked products are the fund balances (unit reserve) as at 31 March 2020 plus non-unit reserves. Additional adjustments have also been made to allow for the following:

- Unearned Premium Reserve in respect of mortality charge/rider charge deducted from the policyholder's account every month.
- IBNR reserve for death claims incurred but not reported to Group as on the valuation date.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

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 (2012-14) - Modified Ultimate and is 100% of the table, (last year 100% of the table of Indian Assured Lives Mortality Table (2006-08)).

ii. Expenses:

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

iii. Valuation discount rate (for setting up of Non unit reserve):

4.5% p.a. (last year 4.5% p.a.)

iv. Unit growth rate: 3.5% to 8.5% (last year 3.5% to 9.5%) depending on the type of fund.

v. Longevity:

Mortality for annuity products are considered as per Indian annuitant table 96-98 : 63% up to age 80 & 81% thereafter of LIC a9698 with 1.3% p.a improvement.

Margins for adverse deviation

The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations.

(c) Group business:

Unearned Premium method for reserving is adopted for the Group yearly renewable term product. The Group Single Premium Mortgage/Credit products and Group Micro Term Insurance have been valued using

the Gross Premium Method with allowance for future expected expenses.

Provision for IBNR reserve has also been made as appropriate.

(d) Linked group business:

The reserves held under the unit-linked products are the fund balances and non-unit balance as at 31 March 2020.

(e) Reinsurance credit

All products other than Term/TROP products: The reinsurance credit is calculated on unearned premium basis, based on the expected reinsurance premium outgo.

Term/TROP products: Reinsurance credit is calculated based on cash-flow projections, by taking credit of expected reinsurance recoverables net of reinsurance premium payable in the future.

(f) Provision for freelook period

An additional reserve is held for policies that are expected to be cancelled during the Free Look period. The method used to estimate this reserve is given below:

a) A proportion of New Business Premium income during the period January 2020 to March 2020 is held as reserve.

b) The proportion is arrived on the basis of actual reserving strain due to free look cancellations at previous year.

The proportion is determined as: (Reserving strain from free look cancelled NB policies that are sold during January 2019- March 2019) / (NB Premium Income for the period January 2019 - March 2019)

Expected number of free look cancellations is calculated on the basis of the past experience and it

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

is assumed that the business sold three months prior to the valuation date has a potential for cancellation.

The proportion varies by line of business. Based on latest study, the proportion is in the range of ~1%.

Discontinued Fund (Unit Linked): As per the regulations, the fund value of lapsed policies is transferred to a separate fund namely, Discontinued Fund (UL), the returns for this funds are guaranteed as

per Regulation 11 of IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010.

Discontinued Fund (VIP Pension): As per the regulations, the fund value of lapsed policies is transferred to a separate fund namely, Discontinued Fund (Pension), the returns for this funds are guaranteed as per Regulation 11 of IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010.

51 SEGMENT REPORTING

The Group's business has three operating segments based on different products and services: 'Storage Batteries & allied products', 'Solar Lantern & Homelights' and 'Life Insurance business'. Storage batteries & allied products and life insurance business are the only reportable segments. Non reportable segment is shown as others as follows:

Operating Segments

31st March 2020

(Rs. in Crores)				
Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Revenue from operations (Gross)	10,162.25	4,287.56	21.20	14,471.01
Segment results	971.81	(15.31)	(8.47)	948.03
Finance costs	-	-	-	(16.33)
Other income	-	-	-	61.88
Profit before exceptional items and tax				993.58
Exceptional items	-	-	-	(21.70)
Profit before tax				971.88
Tax expenses	-	-	-	(209.40)
Profit after tax				762.48
Depreciation and amortisation	376.01	41.41	0.16	417.58

(Rs. in Crores)				
Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Segment assets	6,565.52	15,563.28	14.86	22,143.66
Unallocated assets	-	-	-	2,223.93
Total assets				24,367.59
Segment liabilities	2,120.50	15,537.28	16.45	17,674.23
Unallocated liabilities	-	-	-	179.10
Total liabilities				17,853.33
Additions to non-current assets (other than financial instruments)	615.47	100.18	-	715.65

There are no material non-cash expenditure other than depreciation and amortisation incurred by the group.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

31st March 2019

	(Rs. in Crores)			
Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Revenue from operations (Gross)	10,878.77	3,788.00	54.11	14,720.88
Segment results	1,128.21	(16.44)	1.26	1,113.03
Finance costs	-	-	-	(12.19)
Other income	-	-	-	39.88
Profit before exceptional items and tax				1,140.72
Exceptional items	-	-	-	108.29
Profit before tax				1,249.01
Tax expenses	-	-	-	(401.66)
Profit after tax				847.35
Depreciation and amortisations	327.53	15.78	0.23	343.54

	(Rs. in Crores)			
Particulars	Storage batteries & allied products	Life Insurance business	Others	Total
Segment assets	6,326.30	13,717.65	35.68	20,079.63
Unallocated assets	-	-	-	2,361.32
Total assets				22,440.95
Segment liabilities	2,175.17	13,829.61	26.00	16,030.78
Unallocated liabilities	-	-	-	270.31
Total liabilities				16,301.09
Additions to non-current assets (other than financial instruments)	825.57	40.64	-	866.21

There are no material non-cash expenditure other than depreciation and amortisation incurred by the group.

Geographical Segments

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

31st March 2020

	(Rs. in Crores)		
Particulars	India	Overseas	Total
Revenue from operations (Gross)	13,537.14	933.87	14,471.01
Non-current assets other than financial assets	3,953.51	60.33	4,013.84

31st March 2019

	(Rs. in Crores)		
Particulars	India	Overseas	Total
Revenue from operations (Gross)	13,805.74	915.14	14,720.88
Non-current assets other than financial assets	3,560.90	57.32	3,618.22

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

52 FAIR VALUES

A. Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values of assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

52 FAIR VALUES (CONTD.)**B. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at 31 March 2020:

	Note	FVTPL	Carrying amount			Fair value			
			Other financial assets - amortised cost	FVOCI	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
									Total
Financial assets - Investments	5, 6, 11 & 12	2,204.71	9,359.60	4,228.02	-	15,792.33	15,974.92	113.13	489.73
		2,204.71	9,359.60	4,228.02	-	15,792.33			16,577.78
Financial assets not measured at fair value *									
Trade receivables	7 & 13	-	1,060.94	-	-	1,060.94	-	-	-
Cash and cash equivalents	14	-	331.47	-	-	331.47	-	-	-
Other bank balances	15	-	10.13	-	-	10.13	-	-	-
Loans	8 & 16	-	60.95	-	-	60.95	-	-	-
Other financial assets	17	-	376.26	-	-	376.26	-	-	-
		-	1,839.75	-	-	1,839.75			
Financial liabilities not measured at fair value									
Borrowings	22 & 29	-	-	-	67.38	67.38	-	67.38	-
Trade payables*	23 & 30	-	-	-	1,611.31	1,611.31	-	-	-
Other financial liabilities *	24 & 31	-	-	-	367.58	367.58	-	-	-
Lease liabilities *		-	-	-	125.85	125.85	-	-	-
					2,172.12	2,172.12			

* The Group has not disclosed the fair values of these financial instruments because their carrying amounts are a reasonable approximation of fair value.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

52 FAIR VALUES (CONTD.)

B. Accounting classifications and fair values (Contd.)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at 31 March 2019:

	Note	FVTPL	Carrying amount			Fair value			
			Other financial assets - amortised cost	FVOCI	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
Financial assets - Investments	5,6,11 & 12	2,703.84	7,966.02	3,658.13	-	14,327.99	13,822.65	288.64	403.40
		2,703.84	7,966.02	3,658.13	-	14,327.99			
Financial assets not measured at fair value *									
Trade receivables	7 & 13	-	1,245.21	-	-	1,245.21	-	-	-
Cash and cash equivalents	14	-	340.94	-	-	340.94	-	-	-
Other bank balances	15	-	8.95	-	-	8.95	-	-	-
Loans	8 & 16	-	57.95	-	-	57.95	-	-	-
Other financial assets	17	-	367.84	-	-	367.84	-	-	-
		-	2,020.89	-	-	2,020.89			
Financial liabilities not measured at fair value									
Borrowings	22 & 29	-	-	-	84.86	84.86	-	84.86	-
Trade payables*	23 & 30	-	-	-	1,582.09	1,582.09	-	-	-
Other financial liabilities*	24 & 31	-	-	-	472.60	472.60	-	-	-
		-	-	-	2,139.55	2,139.55			

* The Group has not disclosed the fair values of these financial instruments because their carrying amounts are a reasonable approximation of fair value.

The fair value of investments in unquoted mutual funds and units of venture capital funds (categorised under Level 2 fair value hierarchy) is determined by reference to quotes from the financial institutions i.e. Net asset value (NAV) for investments in mutual funds/units of venture capital funds as declared by such financial institutions.

The fair value of equity securities designated as Fair value through other comprehensive income is determined using Level 3 inputs like discounted cash flows, net asset value approach. Significant unobservable inputs comprise long term growth rates, market conditions of the specific industry etc. However, the changes in the fair values due to changes in unobservable inputs will not be significant. The fair value of policy loans (Refer Notes 5 and 11) is a reasonable approximation of its carrying value.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A Related to Business other than insurance

The Group's financial liabilities comprise short-term borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents and deposits. The Group also holds investments.

The Group has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Group. The Board of Directors also review these risks and related risk management policy.

The market risks, credit risks and liquidity risk are further explained below:

I) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and securities price risk. Financial instruments affected by market risk include investments, trade payables, trade receivables, etc.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. Such foreign currency exposures are not hedged by the Group. The Group has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Group.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Changes in exchange rate	Foreign currency Payable (net)	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2020	5%	100.15	(5.01)
	-5%		5.01
March 31, 2019	5%	3.55	(0.18)
	-5%		0.18

(ii) Securities price risk

The Group's listed and non-listed securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the securities price risk through diversification and by placing limits on individual and total securities. Reports on the investment portfolio are submitted to the Group's management on a regular basis. The Group's Board of Directors reviews and approves all investment decisions.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

Securities price sensitivity

The following table shows the effect of price changes in securities

	Changes in price / NAV	Investment	Effect on profit before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2020	5%	76.79	3.84
	-5%		(3.84)
March 31, 2019	5%	25.84	1.29
	-5%		(1.29)

(iii) Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activity is manufacturing of batteries and therefore requires supply of lead. Due to significant volatility in the lead price, the Group enters into purchase contract with vendors wherein the prices are linked to the quoted London Metal Exchange rates. Similarly, the Group's selling price of batteries to OEM/institutional customers is linked to such rates. As the Group's revenue is linked to cost of lead, the impact of change in lead prices on Group's profit is not expected to be significant.

II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables, except for life insurance business for which credit risk is disclosed separately. Credit risk on cash and cash equivalents, balances with bank and balance in investment is limited as funds are generally invested in mutual funds/ deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Trade receivables

A significant part of the Group's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Notes 7 and 13 as the Group does not hold collateral as security. The Group has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

The Group's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

The movement of the allowance for impairment in trade receivables is as follows:

	(Rs. in Crores)	
	Expected credit loss	
	March 31, 2020	March 31, 2019
Opening balance	10.26	10.51
Add: Provisions for expected credit loss	17.03	-
Less: Reversals	-	0.25
Closing balance	27.29	10.26

(III) Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March 2020 and 31 March 2019. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

March 31, 2020

Particulars	(Rs. in Crores)		
	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Borrowings	58.53	8.85	67.38
Trade and other payables	1,271.24	5.74	1,276.98
Other financial liabilities	303.52	6.98	310.50
	1,633.29	21.57	1,654.86

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

The maturity analysis of the Company's lease liabilities based on contractually agreed undiscounted cash flows is given in Note 60.

March 31, 2019

Particulars	(Rs. in Crores)		
	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Borrowings	75.11	9.75	84.86
Trade and other payables	1,287.41	5.23	1,292.64
Other financial liabilities	403.01	2.73	405.74
	1,765.53	17.71	1,783.24

B Related to insurance business

The Group is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Group focuses on the unpredictability of the financial markets, and attempts to minimise their potential negative influence on the financial performance of the Group. The Group continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

I) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk:

- Group's credit risk policy which sets out the assessment and determination of what constitutes credit risk for the it. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Net exposure limits are set for each counterparty or group of counterparties, geographical and industry segment (i.e., limits are set for investments and cash deposits, foreign exchange trade exposures and minimum credit ratings for investments that may be held).
- Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment.
- The Group sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long-term credit ratings.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

The table below provides information regarding the credit risk exposure of the Group by classifying assets according to the credit ratings of the counterparties. AAA is the highest possible rating. Assets that fall outside the range of AAA to BBB are classified as speculative grade.

31 March 2020

(Rs. in Crores)							
Particulars	AAA	AA	AA-	D	Not rated	Unit linked	Total
a) Financial Instruments :-							
Amortised cost financial assets							
- Debt securities	8,889.78	10.00	-	-	456.89	-	9,356.67
Financial assets at FVTOCI							
- Debt securities	3,850.33	-	15.70	-	-	-	3,866.03
- Equity securities	-	-	-	-	304.37	-	304.37
Financial assets at FVTPL							
- Debt securities	-	-	-	-	-	844.88	844.88
- Equity securities	-	-	-	-	58.88	754.61	813.49
- Mutual Funds	-	-	-	-	381.34	78.98	460.32
							15,645.76
b) Reinsurance assets	-	-	-	-	138.96	-	138.96
c) Insurance receivables	-	-	-	-	197.00	-	197.00
d) Cash and short term deposits	159.09	-	-	-	-	-	159.09
Total credit risk exposure	12,899.20	10.00	15.70	-	1,537.44	1,678.47	16,140.81

31 March 2019

(Rs. in Crores)							
Particulars	AAA	AA	AA-	D	Not rated	Unit linked	Total
a) Financial Instruments :-							
Amortised cost financial assets							
- Debt securities	7,561.51	22.57	4.50	6.25	371.18	-	7,966.01
Financial assets at FVTOCI							
- Debt securities	3,113.51	19.36	15.54	18.75	-	-	3,167.16
- Equity securities	-	-	-	-	431.97	-	431.97
Financial assets at FVTPL							
- Debt securities	-	-	-	-	-	750.99	750.99
- Equity securities	-	-	-	-	82.68	1,148.15	1,230.83
- Mutual Funds	346.43	-	-	-	-	100.23	446.66
Total							13,993.62
b) Reinsurance assets	-	-	-	-	82.40	-	82.40
c) Insurance receivables	-	-	-	-	110.25	-	110.25
d) Cash and short term deposits	246.00	-	-	-	-	-	246.00
Total credit risk exposure	11,267.45	41.93	20.04	25.00	1,078.48	1,999.37	14,432.27

There are no significant financial assets which are overdue for more than 90 days.

II) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash out-flows and expected reinsurance recoveries.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and comply with other covenants.

The following policies and procedures are in place to mitigate the Group's exposure to liquidity risk:

- a) Group's liquidity risk policy which sets out the assessment and determination of what constitutes liquidity risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is

regularly reviewed for pertinence and for changes in the risk environment

- b) Guidelines are set for asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.
- c) Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.

The table below details the Group's remaining contractual maturity for its financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

31 March 2020

Particulars	Contractual cash flows			(Rs. in Crores)
	1 year or less	1 year to 5 years	5 years or more	Total carrying value
Assets				
Amortised cost financial assets	127.82	367.42	8,861.44	9,356.68
Financial assets at FVTOCI	62.82	422.33	3,685.25	4,170.40
Financial assets at FVTPL	685.38	107.45	1,325.86	2,118.69
Loans and receivables	3.23	-	18.56	21.79
Reinsurance assets	-	-	138.96	138.96
Insurance receivables	197.00	-	-	197.00
Other financial assets	348.87	-	-	348.87
Cash and cash equivalents	159.09	-	-	159.09
Total	1,584.21	897.20	14,030.07	16,511.48
Liabilities				
Insurance contract liabilities :				
with DPF	(721.25)	(925.69)	38,079.77	36,432.83
without DPF	(435.47)	(41.13)	10,586.57	10,109.97
Investment contract liabilities :				
with DPF	-	-	-	-
without DPF	92.40	379.85	533.53	1,005.78
Trade payables	334.33	-	-	334.33
Other financial liabilities	56.72	-	0.36	57.08
Other liabilities	35.72	-	-	35.72
Total	(637.55)	(586.97)	49,200.23	47,975.71
Total liquidity gap	(2,221.76)	(1,484.17)	35,170.16	31,464.23

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

31 March 2019

Particulars	Contractual cash flows			(Rs. in Crores)
	1 year or less	1 year to 5 years	5 years or more	Total carrying value
Assets				
Amortised cost financial assets	143.76	280.06	7,542.17	7,965.99
Financial assets at FVTOCI	55.20	329.67	3,214.24	3,599.11
Financial assets at FVTPL	632.38	171.58	1,624.54	2,428.50
Loans and receivables	1.63	-	18.94	20.57
Reinsurance assets	-	-	82.40	82.40
Insurance receivables	110.25	-	-	110.25
Other financial assets	329.46	-	-	329.46
Cash and cash equivalents	246.00	-	-	246.00
Total	1,518.68	781.31	12,482.29	14,782.28
Liabilities				
Insurance contract liabilities:				
with DPF	(780.69)	(859.46)	33,969.48	32,329.33
without DPF	(364.83)	(378.78)	9,905.65	9,162.04
Investment contract liabilities:				
with DPF	-	-	-	-
without DPF	52.36	500.88	693.10	1,246.34
Trade payables	289.45	-	-	289.45
Other financial liabilities	66.39	-	0.47	66.86
Other liabilities	52.34	-	-	52.34
Total	(684.98)	(737.36)	44,568.70	43,146.36
Total liquidity gap	(2,203.66)	(1,518.67)	32,086.41	28,364.08

III) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity/commodity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is primarily exposed to risk arising due to changes in interest rates and equity prices impacting the Group's value of holdings of financial instruments.

The following policies and procedures are in place to mitigate the Group's exposure to market risk:

- Group's Investment policy and liquidity risk policy which sets out the assessment and

determination of what constitutes market risk for the Group. Compliance with these policies is monitored and exposures and breaches are reported to the Group's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

- Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains for policyholders which are in line with their expectations and management of interest sensitivity of products sold. Market risk is also managed by setting risk limits such as Earnings at Risk and Regulatory capital at risk and risk is managed to be within these limits.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

- iii) The Group stipulates diversification benchmarks by type of instrument, as it is exposed to guaranteed benefits when interest rates fall.

III) a. Currency risk

“Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.” The Group has no significant concentration of currency risk.

III) b. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value

interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates. The Group's ALM policy requires it to manage interest rate risk by maintaining an appropriate mix of instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities. The Group monitors the Duration Gap and cash flow matching on regular basis to manage this risk.

Exposure to interest rate risk

The Group's interest rate risk primarily arises on account of investments in interest bearing securities. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Particulars	(Rs. in Crores)	
	Carrying Amount	
	March 31, 2020	March 31, 2019
Fixed-rate instruments		
Financial assets:		
a) Government securities and government guaranteed bonds including treasury bills	9,849.12	8,473.69
b) Debentures/ bonds	1,018.76	703.87
c) Investments in infrastructure and social sector bonds	2,679.37	2,295.51
d) Others (CBLO & Policy Loan)	520.33	411.07
Financial liabilities	(14,987.36)	(13,513.43)
	(919.78)	(1,629.30)

III) c. Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. The Group's equity price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices, principally investment securities not held for the account of unit-linked business. The Group's Investment Mandates require it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on investments in each sector, security and market and exploration of use of any derivative financial instruments.

VII) Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Group cannot expect to eliminate all operational risks, but by initiating a

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

rigorous control framework and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Group's strategic planning and budgeting process.

54 CAPITAL MANAGEMENT

The Group's objective when managing capital (defined as net debt and equity) is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Group.

55 MOVEMENT OF POLICYHOLDERS' FUNDS, FUNDS FOR DISCONTINUED POLICIES, FUNDS FOR FUTURE APPROPRIATION AND EMBEDDED DERIVATIVE LIABILITY

Particulars	Movement during the year ended 31 March 2020				Movement during the year ended 31 March 2019			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
Gross Liability at the beginning of the year	6,892.94	1,835.65	3,610.23	12,338.82	5,752.93	1,856.19	2,967.86	10,576.98
Add/(Less)								
Expected Premium	1,513.56	151.09	958.76	2,623.41	1,380.63	164.53	477.72	2,022.88
Unwinding of the discount/ interest credited	967.44	(159.50)	443.37	1,251.31	537.10	158.18	431.46	1,126.74
Changes in valuation for expected future benefits	-	-	-	-	-	-	-	-
Insurance liabilities released	(1,520.19)	(353.39)	(857.31)	(2,730.89)	(752.10)	(403.24)	(154.80)	(1,310.13)
Undistributed participating policyholders surplus	201.54	-	-	201.54	70.00	-	-	70.00
Others - Non-unit liabilities	63.50	83.15	187.39	334.04	(95.62)	59.99	(112.01)	(147.65)
Gross Liability at the end of the year	8,118.79	1,557.00	4,342.44	14,018.23	6,892.94	1,835.65	3,610.23	12,338.82
Recoverable from Reinsurance	(1.64)	(0.10)	(137.22)	(138.96)	(0.27)	(0.12)	(82.02)	(82.41)
Net Liability	8,117.15	1,556.90	4,205.22	13,879.27	6,892.68	1,835.53	3,528.21	12,256.42
Closing UPPS included in gross liability at the end of the year	343.04	-	-	343.04	141.50	-	-	141.50

(Rs. in Crores)

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

56 MOVEMENT OF INVESTMENT CONTRACTS LIABILITIES

(Rs. in Crores)

Particulars	Movement during the year ended 31 March 2020			Movement during the year ended 31 March 2019		
	Linked Business	Others	Total	Linked Business	Others	Total
At the beginning of the year	191.23	882.46	1,073.69	217.56	882.00	1,099.57
Additions						
Premium	28.88	31.68	60.56	15.42	39.99	55.40
Interest & Bonus credited to policyholders	(0.95)	72.08	71.13	18.38	76.51	94.89
Deductions						
Withdrawals/ claims	77.45	136.73	214.18	59.72	115.02	174.74
Fee Income & other expenses	0.29	0.89	1.18	0.41	1.02	1.43
At the end of the year	141.42	848.60	990.02	191.23	882.46	1,073.69

57 ADDITIONAL INFORMATION IN RESPECT OF NET ASSETS, PROFIT / LOSS AND OTHER COMPREHENSIVE INCOME OF EACH ENTITY WITHIN THE GROUP AND THEIR PROPORTIONATE SHARE OF THE TOTALS

(Rs. in Crores)

Name of the entity	As at March 31, 2020 Net Assets, i.e. Total assets minus total liabilities		2019-20 Share in Profit or Loss		2019-20 Share in Other Comprehensive Income		2019-20 Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total OCI	Amount
Parent								
Exide Industries Limited (EIL)	96.65%	6,296.11	108.27%	825.51	-20.72%	(17.78)	95.22%	807.73
Indian Subsidiaries								
Chloride International Limited (CIL)	0.10%	6.37	1.19%	9.06	-	-	1.07%	9.06
Chloride Power Systems & Solutions Ltd. (CPSSL)	-0.07%	(4.75)	-2.65%	(20.19)	-0.19%	(0.16)	-2.40%	(20.35)
Chloride Metals Ltd. (CML)	2.12%	138.32	1.41%	10.76	-0.27%	(0.23)	1.24%	10.53
Exide Leclanche Energy Private Limited (ELEPL)	1.67%	108.73	-1.86%	(14.21)	0.00%	-	-1.68%	(14.21)
Exide Life Insurance Company Limited (ELI)	19.21%	1,251.16	-1.16%	(8.85)	119.32%	102.40	11.03%	93.55
Foreign Subsidiaries								
Chloride Batteries S. E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	0.94%	60.98	0.12%	0.91	-	-	0.11%	0.91

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

Name of the entity	(Rs. in Crores)							
	As at March 31, 2020 Net Assets, i.e. Total assets minus total liabilities		2019-20 Share in Profit or Loss		2019-20 Share in Other Comprehensive Income		2019-20 Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total OCI	Amount
Espex Batteries Limited (ESPEX)	0.16%	10.72	0.29%	2.20	-	-	0.26%	2.20
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	0.11%	7.47	-2.00%	(15.22)	-	-	-1.79%	(15.22)
Non-controlling interest in all subsidiaries	0.72%	46.94	-1.87%	(14.27)	-	-	-1.68%	(14.27)
Adjustment arising out of consolidation	-21.61%	(1,407.79)	-1.74%	(13.22)	1.86%	1.59	-1.38%	(11.63)
Total	100%	6,514.26	100%	762.48	100%	85.82	100%	848.30

58 RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Particulars	Year	Opening balance	Cash Changes	Non-cash changes	Closing balance
a) Borrowings	2019-20	89.02	(17.75)	(0.62)	70.65
Borrowings	2018-19	59.70	28.36	0.96	89.02
b) Lease liability	2019-20	104.70	(35.75)	56.90	125.85
Non-cash changes of lease liability constitutes of the following:					
Lease liabilities recognised during the year					47.06
Lease liabilities derecognised during the year (net off adjustment on derecognition)					(2.07)
Interest expenses recognised during the year					11.91
					56.90

59 INSURANCE RISK FRAMEWORK

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Group purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

The majority of proportional reinsurance is surplus reinsurance which is taken out to reduce the overall exposure of the Group to certain classes of business.

Life insurance contracts and investment contracts with DPF

Life insurance contracts offered by the Group include: whole life, term assurance, conventional endowment, deferred pensions, non-guaranteed annuity pensions, pure endowment pensions and mortgage protection. Investment contracts with DPF offered by the Group are deferred pensions.

Whole life, endowment and term assurance are conventional regular premium products when lump sum benefits are payable on death or permanent disability and most of the products have Surrender Value.

Pensions are contracts where retirement benefits are converted to a form of annuity payable at retirement age. If death occurs before retirement, contracts generally return the value of the fund accumulated or premiums. Some of the contracts give the policyholder the option at retirement to take the annuity from open market allowing the policyholders the option of availing the highest available annuity from market. Under unitised pensions, a percentage of the premium is applied towards the purchase of accumulation units in one or more of the internal linked funds. Provision of additional death benefits may be provided by cancellation of units or through supplementary term assurance contracts. Certain personal pension plans also include contribution protection benefits that provide for payment of contributions on behalf of policyholders in periods of total disability.

Guaranteed annuities are single premium products which pay a specified payment to the policyholder while they are alive. Payments are generally fixed for the lifetime.

Death benefits of endowment products are subject to a guaranteed minimum amount. The maturity value usually depends on the investment performance of the underlying assets or may be fixed at inception. For contracts with DPF the guaranteed minimum may

be increased by the addition of bonuses. These are set at a level that takes account of expected market fluctuations, such that the cost of the guarantee is generally met by the investment performance of the assets backing the liability. However, in circumstances where there has been a significant fall in investment markets, the guaranteed maturity benefits may exceed investment performance and these guarantees become valuable to the policyholder. Certain pure endowment pensions contain the option to apply the proceeds towards the purchase of an annuity earlier than the date shown on the contract or to convert the contract to 'paid up' on guaranteed terms. The mortgage protection contracts offered by the Group provide pure risk cover only.

The main risks that the Group is exposed to are as follows:

- Mortality risk – risk of loss arising due to policyholder death experience being different than expected
- Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
- Longevity risk – risk of loss arising due to the annuitant living longer than expected
- Investment return risk – risk of loss arising from actual returns being different than expected
- Expense risk – risk of loss arising from expense experience being different than expected
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

These risks do not vary significantly in relation to the location of the risk insured by the Group, type of risk insured or by industry.

The Group's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of medical screening in order to ensure that pricing takes account of current health conditions and family medical history, regular review of actual claims experience and product pricing, as well as detailed claims' handling procedures.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

59 INSURANCE RISK FRAMEWORK (CONTINUED)

The following tables show the concentration of life insurance contract liabilities and investment contract liabilities with DPF by type of contract.

31 March 2020

Particulars	Gross			Net		
	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Total gross insurance contract liabilities and investment contract liabilities with DPF	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Net of insurance contract liabilities and investment contract liabilities with DPF
Whole life	1,975.74	-	1,975.74	1,975.74	-	1,975.74
Term assurance	-	332.98	332.98	-	195.82	195.82
Guaranteed annuity pensions	-	-	-	-	-	-
Pure endowment pensions	-	-	-	-	-	-
Mortgage endowments	-	-	-	-	-	-
Total life insurance	5,801.96	5,566.47	11,368.43	5,800.32	5,566.31	11,366.63
Unitised pensions	-	-	-	-	-	-
Total investment contracts with DPF	-	990.02	990.02	-	990.02	990.02
Total	7,777.70	6,889.47	14,667.17	7,776.06	6,752.15	14,528.21

31 March 2019

Particulars	Gross			Net		
	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Total gross insurance contract liabilities and investment contract liabilities with DPF	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Net of insurance contract liabilities and investment contract liabilities with DPF
Whole life	1,729.89	-	1,729.89	1,729.89	-	1,729.89
Term assurance	-	210.21	210.21	-	128.35	128.35
Guaranteed annuity pensions	-	-	-	-	-	-
Pure endowment pensions	-	-	-	-	-	-
Mortgage endowments	-	-	-	-	-	-
Total life insurance	5,021.55	5,235.69	10,257.24	5,021.28	5,235.41	10,256.69
Unitised pensions	-	-	-	-	-	-
Total investment contracts with DPF	-	1,073.69	1,073.69	-	1,073.69	1,073.69
Total	6,751.44	6,519.59	13,271.03	6,751.17	6,437.45	13,188.62

The geographical concentration of the Group's life insurance contract liabilities and investment contract liabilities with DPF is within India only.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

59 INSURANCE RISK FRAMEWORK (CONTINUED)

The assumptions that have substantial impact on statement of financial position and statement of profit and loss of the Group are listed below :

Portfolio assumptions by type of business impacting net liabilities	Mortality and morbidity rates		Persistency		Investment return		Expenses	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Non Participating Endowment	66% -224.4% of LIC 12-14	66% -180% of LIC 06-08	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter	6% to 7.65%	6% to 7.65%	INR 84.57 to INR 833.47	INR 81.32 to INR 801.41
Term Plans	29.7% -100% of LIC 12-14	20.5% -100% of LIC 06-08	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 10% in year 1, 3% to 5% in year 2 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 10% in year 1, 3% to 5% in year 2 and 0% thereafter	6.00%	6.00%	INR 546.38 - INR 691.14	INR 525.37 - INR 664.56
Unit Linked	100% of LIC 12-14	100% of LIC 06-08	Paid-up rates: 24% year 1, 8% year2, 24%, year3 ,20%, in year 4,5,6 and 12% thereafter	Paid-up rates: 24% year 1, 8% year2, 24%, year3 ,20%, in year 4,5,6 and 12% thereafter	4.50%	4.50%	INR 802.09	INR 771.24
Pension	100% of LIC 12-14	100% of LIC 06-08	Paid-up rates 24% to 45% in year1, 6% to 20% in year 2 4% to 15% in year 3, 4% to 10% in year 4 and 4% to 5% thereafter	Paid-up rates 24% to 45% in year1, 6% to 20% in year 2 4% to 15% in year 3, 4% to 10% in year 4 and 4% to 5% thereafter	4.50%	4.50%	INR 384.69 To INR 833.47	INR 369.89 To INR 801.41
Participating Endowment	100% of LIC 12-14	100% -148.50% of LIC 06-08	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	6.50%	6.50%	INR 404.13 To INR 833.47	INR 388.59 To INR 801.41

Sensitivity analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

Insurance contracts

Particulars	Change in assumptions	(Rs. in Crores)	
		31 March 2020	31 March 2019
		Increase/ (decrease) on gross and net liabilities and profit before tax	Increase/ (decrease) on gross and net liabilities and profit before tax
Mortality/morbidity rate	+10%	158.91	132.50
Longevity	+10%	-	-
Investment return	+1%	-	-
Expenses	+10%	72.93	68.30
Lapse and surrenders rate	+10%	(3.23)	(3.76)
Discount rate	+1%	(906.28)	(897.28)
Mortality/morbidity rate	-10%	(141.53)	(118.57)
Longevity	-10%	-	-
Investment return	-1%	-	-
Expenses	-10%	(69.34)	(66.40)
Lapse and surrenders rate	-10%	3.25	6.00
Discount rate	-1%	1,972.84	1,654.52

60 LEASES

A. Leases as lessee

i. Short-term / Low-value leases

The Group leases warehouses, office premises, guest houses and equipments which are considered to be short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The Company leases office and IT equipment including its peripheral, computer, modular furniture and fixtures which are of low-value. The Company has elected not to recognise right-of-use assets and lease liabilities for the same.

Expenses pertaining to the above short-term and low-value leases recognised in the statement of profit or loss is as follows:

Particulars	(Rs. in Crores)	
	March 31, 2020	
Expenses relating to short-term leases	44.84	
Expenses relating to leases of low-value assets excluding short-term leases of low value	5.95	
	50.79	
Total cash outflow for leases	86.54	

Lease payments for short-term leases and leases of low-value assets not included in the measurement of the lease liability are classified as cash flows from operating activities.

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

ii. Right-of-use and lease liabilities recognised in the financial statements represents the following:

- (a) Group's lease of solar power plant facilities for obtaining solar power in its factories. The lease is for a period of 25 years. The consideration for use of solar power plant is variable based on the electricity units generated by the plants and consumed by the Group. Lease liability has been recognised for the minimum guaranteed payment, as set out in the respective power purchase agreements. The future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities pertaining to variable payments for such power purchase agreements are not expected to be significant.
- (b) Group's leases in the nature of lease/leave and license agreements with different lessors / licensors for office premises, vehicles and computer servers. These are covered under the definition of leases under Ind AS 116 "Leases".
- (c) Group's lease of land that runs for a period of 60 years and lease of plant and equipments for a period of 5 years.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	(Rs. in Crores)
Particulars	March 31, 2020
Less than one year	32.78
Between one year and five years	91.60
More than 5 years	59.24
	183.62

iii. Future cash outflows for leases not yet commenced to which the lessee is committed and potentially exposed **715.83**

The above commitment amount to which the Company is potentially exposed is against the power purchase agreements entered into by the Company with different vendors for obtaining solar power at its various factories.

iv. Transition to IND AS 116

On transition to Ind AS 116, the Group has recorded an additional Rs. 102.17 crs of right-of-use assets and Rs. 104.70 crs of lease liabilities, difference being set off against existing rent equalisation reserve outstanding as at 1 April 2019. Prepaid expense of Rs. 3.17 crs outstanding as at 1 April 2019, created on account of discounting of security deposits under lease agreements covered under this standard, has been reclassified to right-of-use asset.

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 9.05%.

	(Rs. in Crores)
Particulars	1 April 2019
Operating lease commitment at 31 March 2019 as disclosed in the Company's financial statements	147.90
Less: Lease commitments pertaining to short-term leases / leases of low-value assets (recognition exemption)	(15.84)
Operating lease commitment at 31 March 2019 for leases under the scope of Ind AS 116	132.06
Discounted using incremental borrowing rate at 1 April 2019	104.70
Lease liabilities recognised at 1 April 2019	104.70

Notes to Consolidated Financial Statements

for the year ended 31st March 2020

61 INVESTMENTS

- a) For the insurance business, the Group 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, Par Pension, Non-Participating, Unit Linked, VIP Non Par Pension, Annuity and Pension funds.

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

Investments in securities measured at amortised cost and at fair value through other comprehensive income are recorded on trade date at fair value including acquisition charges (such as brokerage and related taxes), and exclude pre-acquisition interest paid, if any, on purchase.

Investments in securities measured at fair value through profit and loss are recorded on trade date at fair value with acquisition charges being charged to statement of profit and loss.

- b) For the insurance business, the Group manages its business based on segments viz. Participating, Annuity, VIP Non Par Pension, Pension Individual, Par Pension, Non Participating, Unit Linked and Shareholders' Funds driving the business model test for investments. Accordingly, investments in each of these business have been analysed as a portfolio and classified/measured accordingly. The classification has been tabulated as under:

Segment Name	Type of Security	Classification under Ind AS
Par, Par Pension, VIP Non Par Pension, Pension Individual, and Annuity	Debt securities	Amortised cost
	Equity securities	Fair value through OCI
	Mutual Funds	Fair value through profit and loss
Non Participating and Shareholders' funds	Debt securities	Fair value through OCI
	Equity securities	Fair value through profit and loss
	Mutual Funds	Fair value through profit and loss
Unit linked	All securities	Fair value through profit and loss

- 62 Exceptional item for current year represents the duty/tax paid under the Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 and for previous year represents profit on sale of property at Guindy, Tamil Nadu.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of Board of Directors of **Exide Industries Limited**
CIN No.: L31402WB1947PLC014919

Sd/-
Jayanta Mukhopadhyay
Partner
Membership No. 055757

Sd/-
J. Kumar
Company Secretary &
EVP-Legal & Admin
ACS: 11159

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

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

Kolkata, 05 June, 2020

Kolkata, 05 June, 2020

ANNEXURE

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries

Sl. No.	(Information in respect of each subsidiary/associate to be presented with amounts in Rs. Crores)							
	1	2	3	4	5	6	7	8
Name of the subsidiary	CHLORIDE POWER SYSTEMS & SOLUTIONS LTD	CHLORIDE METALS LTD	CHLORIDE INTERNATIONAL LTD	CHLORIDE BATTERIES S.E. ASIA PTE. LTD	ASSOCIATED BATTERY MANUFACTURERS (CEYLON) LTD	ESPEX BATTERIES LTD	EXIDE LECLANCHE ENERGY PVT LTD	EXIDE LIFE INSURANCE COMPANY LIMITED
	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
Reporting period	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	-	-	-	1 SGD = Rs. 51.76	1 SLR = Re. 0.3975	1GBP = Rs. 90.98	-	-
Share capital	1.98	47.38	0.45	50.40	2.52	0.93	102.05	1,850.00
Reserves & surplus	(6.73)	90.94	5.92	10.60	15.63	9.79	42.93	(598.84)
Total assets	73.45	371.52	6.39	90.88	100.66	49.13	168.92	16,788.44
Total Liabilities	78.20	233.20	0.02	29.88	82.51	38.41	23.94	15,537.28
Investments	-	-	2.81	2.91	-	-	55.25	15,655.01
Turnover / Income from Operations	76.09	2,022.19	10.41	112.81	146.17	79.62	2.19	3,995.92
Profit before taxation	(27.33)	13.11	10.31	1.43	2.03	2.90	(18.95)	(8.21)
Provision for taxation	(7.14)	2.35	1.25	0.52	0.80	0.71	-	0.64
Profit after taxation	(20.19)	10.76	9.06	0.91	1.23	2.19	(18.95)	(8.85)
Proposed Dividend	-	-	-	-	-	-	-	-
% of shareholding	100	100	100	100	61.50	100	74.99	100
Additional Disclosure								
Names of the subsidiaries which are yet to commence operations	NA	NA	NA	NA	NA	NA	NA	NA
Names of subsidiaries which have been liquidated or sold during the year.	NA	NA	NA	NA	NA	NA	NA	NA

Part "B": Associates and Joint Ventures

	Associates		
	1	2	3
	CSE SOLAR SUNPARK MAHARASHTRA PRIVATE LIMITED	CSE SOLAR SUNPARK TAMILNADU PRIVATE LIMITED	GREENYANA SOLAR PRIVATE LIMITED
1 Latest audited Balance Sheet Date	31.03.2020	31.03.2020	31.03.2020
2 Shares of Associate/Joint Ventures held by the company on the year end			
Number of Shares	9,92,465	11,81,250	5,83,333
Amount of Investment	7.24	10.87	5.25
Extent of Holding %	27.20	27.20	27.20
3 Description of how there is significant influence	Power Purchase Agreement and Share Subscription and Shareholders' Agreement		
4 Reason why the associate/joint venture is not consolidated	NA		
5 Networth attributable to Shareholding as per latest audited Balance Sheet	7.16	10.77	5.13
6 Profit / Loss for the year	(0.23)	(0.25)	(0.30)
i. Considered in Consolidation	(0.06)	(0.06)	(0.07)
ii. Not Considered in Consolidation	(0.17)	(0.19)	(0.23)
Additional Disclosure			
1 Names of the Associates and Joint Ventures which are yet to commence operations	CSE SOLAR SUNPARK MAHARASHTRA PRIVATE LIMITED CSE SOLAR SUNPARK TAMILNADU PRIVATE LIMITED GREENYANA SOLAR PRIVATE LIMITED		
2 Names of Associates and Joint Ventures which have been liquidated or sold during the year.	NA		

For and on behalf of Board of Directors of **Exide Industries Limited**
CIN No.: L31402WB1947PLC014919

Sd/-
J. Kumar
Company Secretary &
EVP-Legal & Admin
ACS: 11/159

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

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

Place: Kolkata
Date: 05 June, 2020

Quick Guide on 73rd Annual General Meeting of the Members of the Company

Day, Date and Time	: Tuesday, 15th September 2020, 02.30 P.M. (IST)
What time can I log in	: From 2.00 P.M. till conclusion of AGM

A. HOW TO PARTICIPATE IN THE AGM?

Steps	Process
Step 1	Click on NSDL e-voting website https://www.evoting.nsdl.com/
Step 2	Click on "Login" under the first left tab "Shareholder / Member"
Step 3	Select the login type: "Password"/"OTP"
3A	In case you choose for 'Password' – Fill up (a) User ID (DP ID-Client ID / Folio No.) (b) Select the login type: "Password" (c) Verification code (d) Password Tick on checkbox and click on "Login"
3B	In case you choose for 'OTP' – Fill up (a) User ID (b) Select the login type "OTP" (c) Verification code Tick on checkbox and click on "Login" This will lead to a separate OTP page > Enter the OTP and Click on "Submit"
Step 4	Go to "e-Voting" under the first left tab and click on "Active E-voting Cycles"
Step 5	Click on the link under "Join General Meeting"
Step 6	Participants are required to click on the PLAY icon on the VC/OAVM facility page to start the VC/OAVM facility.

B. HOW TO RETRIEVE/GENERATE PASSWORD?

- In case you do not remember your password, you may retrieve/ generate the password by clicking on **"Forgot User Details/Password?" (for DEMAT Holder)** and **"Physical User Reset Password?" (for Physical Holder)**
- If you are still unable to get the password by aforesaid option at (a), you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN, name and registered address.

C. DEVICE COMPATIBILITY?

You can join the AGM through desktops/laptops/smartphones with high speed internet connectivity. For a good audio-video experience, we request you to ensure below mentioned points:

- Please verify that you have active speakers connected on your device. Verify that they are not muted. Verify the Volume is loud. Ensure you are able to view local video stored on your system.
- Ensure no other background applications are running.
- It is advisable to ensure that your Wi-Fi is not connected to any other device.
- It is highly recommended that you have stable internet connection. The video may freeze if you are watching the stream in transit (the wireless connection may fluctuate depending on signal strength). The video will improve as your internet connection becomes stable.
- For seamless user experience, use internet explorer, google chrome or firefox or safari browser.

D. IF YOU WISH TO SPEAK AT THE AGM?

Members who would like to express their views/ask questions during the AGM may register themselves as a Speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at Investor.agm2020@exide.co.in. Such request must reach the Company till 5.00 PM on or before Tuesday, 8th September 2020. Those Members who have registered themselves as a Speaker by 8th September 2020 and have provided adequate details as mentioned above, will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.

Selection criteria for choosing a Speaker

- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.
- Representation of different geographies, diverse categories / professions / age profiles/ gender and using random selection method.
- Infrastructure, connectivity and speed available at the Speaker's location are essential to ensure smooth interaction.
- In the interest of time, each Speaker is requested to express his / her views in 2 minutes.

Our representatives would connect with the shortlisted prospective Speakers to check the infrastructure, bandwidth, internet connectivity (upload and download speed) available at the Speaker's location.

E. HOW TO VOTE AT THE AGM?

- Please follow steps 1 to 4 as given in point A above.
- Select the EVEN "113353"
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

F. WHAT IS THE HELPLINE NUMBER IN CASE OF QUERIES OR DIFFICULTIES FACED?

The helpline numbers are available from Monday to Friday (10 a.m. to 6 p.m.) from date of circulation of the notice till the date of AGM i.e. 15th September 2020.

For	Name	Email Id	Contact no.
Queries related to NSDL login/ evoting	Mr. Amit Vishal, Senior Manager, NSDL	AmitV@nsdl.co.in	022 24994360
	Ms. Pallavi Mhatre, Manager, NSDL	pallavid@nsdl.co.in	022 24994545
	NSDL Toll free	evoting@nsdl.co.in	1800-222-990



Forward-looking statement

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



REGISTERED OFFICE

Exide Industries Limited
Exide House, 59E Chowringhee Road,
Kolkata - 700 020
www.exideindustries.com