EXIDE LECLANCHE ENERGY PRIVATE LIMITED

Balance Sheet

And

Auditors' Report

2020-21

Auditors:

B S R & Co. LLP

Chartered Accountants
Godrej Waterside, Unit No. 603, 6th Floor, Tower-1
Plot 5, Block-DP , Sector - V ,
Saltlake
Kolkata- 700091

B S R & Co. LLP
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INDEPENDENT AUDITORS' REPORT

To the Members of Exide Leclanche Energy Private Limited

Report on the Audit of the Financial statements

Opinion

We have audited the financial statements of Exide Leclanche Energy Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 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 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

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 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 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 Financial statements.

Information Other than the 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 board of director's report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

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Management's and Board of Directors' Responsibility for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial statements made by the Management and Board of Directors.

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- 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 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 financial statements, including the disclosures, and whether the 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.

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 balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

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KOLKATA
Chartered Accountants

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 does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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 Company has not paid any remuneration to its directors during the year. 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

B S R & Co. LLP
KOLKATA
Chartered Accountants

Jayanta Mukhopadhyay
Partner
Membership Number: 055757
UDIN: 21055757AAAABB8740

Place: Kolkata
Date: 19 April 2021

Annexure A to the Independent Auditor's Report on the financial statements of Exide Leclanche Energy Private Limited for the year ended 31 March 2021

Report on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016 to the aforesaid 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 every year. 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, all the fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties. Accordingly, provisions of paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The inventory has 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.

(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 explanation given to us and based on our examination of the records of the Company, there are no loans, investments, guarantees and security given by the Company which requires compliance with provisions of Section 185 and Section 186 of the Act. Accordingly, provisions of paragraph 3(iv) of the Order are not applicable to 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) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the products of the Company. Accordingly, provisions of paragraph 3(vi) of the Order are not applicable to the Company.

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(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, 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 except for certain delays in deposit of Goods and service tax. As explained to us by the management, the Company did not have any dues on account of employees' state insurance, 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, Income-tax, Goods and Service tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2021 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 excise, duty of customs, value added tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings from financial institutions or banks. The Company did not have any outstanding loan or borrowings from government or debenture holders during the year.

(ix) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3(ix) of the Order 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 not paid/provided for any managerial remuneration during the year. Accordingly, the provisions of paragraph 3(xi) of the Order are not applicable to the Company.

(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 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.

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(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

B S R & Co. LLP
KOLKATA
Chartered Accountants

Jayanta Mukhopadhyay
Partner
Membership Number: 055757
UDIN: 21055757AAAABB8740

Place: Kolkata
Date: 19 April 2021

Annexure B to the Independent Auditor's Report on the financial statements of Exide Leclanche Energy Private Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid 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 Leclanche Energy Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the 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 2021, 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 financial statements, whether due to fraud or error.

B S R & Co. LLP KOLKATA Chartered Accountants

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

B S R & Co. LLP KOLKATA Chartered Accountants

Jayanta Mukhopadhyay
Partner
Membership Number: 055757
UDIN: 21055757AAAABB8740

Place: Kolkata
Date: 19 April 2021

EXIDE LECLANCHE ENERGY PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH 2021
Amounts in Indian Rupees

	Note	March 31, 2021	March 31, 2020
I) ASSETS			
1) NON CURRENT ASSETS			
a) Property, Plant and Equipment	2a	70,898,987	40,478,944
b) Capital work-in-progress	2b	897,679,420	187,497,534
c) Right-of-use asset	2c	137,917,837	157,620,385
d) Intangible assets	3	4,417,399	5,078,517
e) Intangible assets under development		514,197,483	431,516,073
f) Deferred tax assets (net)	4	-	-
g) Financial assets			
(i) Loans	5	398,081	398,081
h) Other non-current assets	6	311,616,491	249,428,882
		1,937,125,698	1,072,018,416
2) CURRENT ASSETS			
a) Inventories	7	231,551,058	24,776,656
b) Financial assets			
(i) Investments	8	205,021,833	552,450,967
(ii) Trade receivables	9	875,477	20,355,932
(iii) Cash and cash equivalents	10	5,112,178	6,745,333
(iv) Bank balances other than (iii) above	11	19,737,888	625,000
(v) Loans	5	2,999	3,479,747
(vi) Other financial assets	12	3,501,899	8,176
c) Other current assets	13	24,519,869	8,784,877
		490,323,201	617,226,688
TOTAL ASSETS		2,427,448,899	1,689,245,104
II) EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity share capital	14	1,285,940,340	1,020,548,340
b) Other equity	15	645,325,289	429,344,782
		1,931,265,629	1,449,893,122
2) LIABILITIES			
i) NON-CURRENT LIABILITIES			
a) Financial liabilities			
(i) Lease liabilities		130,952,824	146,714,122
b) Provisions	16	4,476,000	1,990,381
		135,428,824	148,704,503
ii) CURRENT LIABILITIES			
a) Financial liabilities			
(i) Short term borrowings	17	157,598,112	-
(ii) Lease liabilities		15,761,298	14,409,580
(iii) Trade payables	18		
Total outstanding dues of micro and small enterprises		5,773,020	398,334
Total outstanding dues of creditors other than micro and small enterprises		29,218,925	18,425,389
(iv) Other financial liabilities	19	144,310,796	52,041,720
b) Other current liabilities	20	7,907,295	5,277,456
c) Provisions	21	185,000	95,000
		360,754,446	90,647,479
TOTAL EQUITY AND LIABILITIES		2,427,448,899	1,689,245,104
Significant accounting policies	1		

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

As per our report of even date.

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

Jayanta Mukhopadhyay
Partner
Membership No. 055757
Kolkata, 19 April 2021

B S R & Co. LLP
KOLKATA
Chartered Accountants

For and on behalf of Board of Directors of
Exide Leclanche Energy Private Limited
CIN: U74999GJ2018PTC104468

Sd/-

Gautam Chatterjee
Director
DIN: 00012306
Kolkata, 19 April 2021

Sd/-

Arun Mittal
Director
DIN: 00412767
Kolkata, 19 April 2021

Sd/-

Stefan Louis
Chief Executive Officer

Ahmedabad, 19 April 2021

Sd/-

Nitesh Pawar
Chief Financial Officer
Membership No.: 061436
Ahmedabad, 19 April 2021

Sd/-

Divya Agarwal
Company Secretary
Membership No.: 30301
Ahmedabad, 19 April 2021

Exide Leclanche Energy Private Limited

EXIDE LECLANCHE ENERGY PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021
Amounts in Indian Rupees

	Note	Year ended March 31, 2021	Year ended March 31, 2020
I) INCOME:			
Revenue from operations	22	30,264,249	21,918,483
Other income	23	13,696,993	26,087,061
Total Income (I)		43,961,242	48,005,544
II) EXPENSES:			
Cost of materials consumed	24	7,581,701	-
Purchase of stock-in-trade		11,254,021	19,417,420
Employee benefits expenses	25	105,891,063	62,589,283
Other expenses	28	59,665,417	104,759,150
Total expenses (II)		184,392,202	186,765,853
III) Earnings before interest, tax, depreciation and amortisation expenses (I-II)		(140,430,960)	(138,760,309)
Finance costs	26	16,911,379	9,970,861
Depreciation and amortisation expenses	27	24,765,154	40,786,524
IV) Interest, depreciation and amortisation expenses		41,676,533	50,757,385
V) Loss before tax (III-IV)		(182,107,493)	(189,517,694)
VI) Tax expenses:			
1. Current tax		-	-
2. Deferred tax		-	-
		-	-
VII) Loss for the year (V-VI)		(182,107,493)	(189,517,694)
VIII) Other Comprehensive Income (OCI)		-	-
IX) Total Comprehensive Income for the year (VII+VIII)		(182,107,493)	(189,517,694)
Earnings per share - Basic and Diluted (Nominal value Rs 10 per share)	29	(1.59)	(2.51)
Significant accounting policies	1		

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

As per our report of even date.

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

Jayanta Mukhopadhyay
Partner
Membership No. 055757
Kolkata, 19 April 2021

For and on behalf of Board of Directors of
Exide Leclanche Energy Private Limited
CIN: U74999GJ2018PTC104468

Sd/-

Gautam Chatterjee
Director
DIN: 00012306
Kolkata, 19 April 2021

Sd/-

Arun Mittal
Director
DIN: 00412767
Kolkata, 19 April 2021

Sd/-

Stefan Louis
Chief Executive Officer

Ahmedabad, 19 April 2021

Sd/-

Rakesh Poddar
Chief Financial Officer
Membership No.: 061436
Ahmedabad, 19 April 2021

Sd/-

Divya Agarwal
Company Secretary
Membership No.: 30301
Ahmedabad, 19 April 2021

EXIDE LECLANCHE ENERGY PRIVATE LIMITED
STATEMENT OF CASH FLOW FOR THE FOR THE YEAR ENDED 31 MARCH 2021
Amounts in Indian Rupees

	Year ended March 31, 2021	Year ended March 31, 2020
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss before tax	**(182,107,493)**	(189,517,694)
Adjustment for :		
Depreciation and amortisation (including impairment)	**24,765,154**	40,786,524
Interest income	**(574,715)**	(8,176)
Finance costs	**16,911,379**	9,970,861
Deposits written off	**-**	1,101,744
Gain on fair value of investments in mutual funds units	**(2,184,560)**	(10,218,067)
Profit on sale of investments in mutual funds units	**(10,537,715)**	(9,053,900)
Operating profit before working capital changes	**(153,727,950)**	(156,938,708)
Increase in inventories	**(206,774,402)**	(19,871,333)
(Increase)/decrease in trade receivables	**19,480,455**	(20,355,932)
Increase in financial assets and other assets	**(195,498,186)**	(74,939,032)
Increase in other financial liabilities and other liabilities	**24,981,443**	28,992,972
Cash generated from operations	**(511,538,640)**	(243,112,033)
Direct taxes paid (net of refunds)	**-**	-
Net Cash used in operating activities (A)	**(511,538,640)**	(243,112,033)
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase and construction of property, plant and equipment (including intangible assets)	**(617,971,181)**	(374,026,841)
Purchase/advance for investment of Mutual Fund units	**(738,000,000)**	(1,089,000,000)
Sale of investment of Mutual Fund units	**1,095,151,409**	555,821,000
Deposits having original maturity of more than 3 months	**(19,112,888)**	(625,000)
Interest received	**80,992**	-
Net cash used in investing activities (B)	**(279,851,668)**	(907,830,841)
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of equity share capital	**663,480,000**	1,128,116,016
Payment of lease liabilities	**(28,325,939)**	(21,244,455)
Proceeds from short term borrowing (net)	**157,598,112**	-
Interest paid	**(2,995,020)**	-
Net cash generated from financing activities (C)	**789,757,153**	1,106,871,561
Net decrease in cash and cash equivalents (A+B+C)	**(1,633,155)**	(44,071,313)
Cash and cash equivalents - Opening Balance *	**6,745,333**	50,816,646
Cash and cash equivalents - Closing Balance *	**5,112,178**	6,745,333

* As disclosed in note 10

The aforesaid cash flow statement has been prepared under the indirect method as set out in Ind AS 7- Statement of Cash Flow

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

As per our report of even date.

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

Jayanta Mukhopadhyay
Partner
Membership No. 055757
Kolkata, 19 April 2021

B S R & Co. LLP KOLKATA Chartered Accountants

For and on behalf of Board of Directors of
Exide Leclanche Energy Private Limited
CIN: U74999GJ2018PTC104468

Sd/-

Gautam Chatterjee
Director
DIN: 00012306
Kolkata, 19 April 2021

Sd/-

Arun Mittal
Director
DIN: 00412767
Kolkata, 19 April 2021

Exide Leclanche Energy Private Limited

Sd/-

Stefan Louis
Chief Executive Officer

Ahmedabad, 19 April 2021

Sd/-

Rakesh Poddar
Chief Financial Officer
Membership No.: 061436
Ahmedabad, 19 April 2021

Sd/-

Divya Agarwal
Company Secretary
Membership No.: 30301
Ahmedabad, 19 April 2021

EXIDE LECLANCHE ENERGY PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021
Amounts in Indian Rupees

A) Equity Share Capital

Equity Shares of INR 10 each issued, subscribed and fully paid	Number	Amount
As at April 1, 2019	55,050,000	550,500,000
Equity shares issued during the year	47,004,834	470,048,340
Balance as at March 31, 2020	**102,054,834**	**1,020,548,340**
Equity shares issued during the year	**26,539,200**	**265,392,000**
Balance as at March 31, 2021	**128,594,034**	**1,285,940,340**

B) Other Equity

Particulars	Securities Premium	Retained earnings	Total
Balance at April 1, 2019	-	(39,205,200)	(39,205,200)
Securities premium received during the year on issue of equity shares	658,067,676	-	658,067,676
Loss for the year 2019-20	-	(189,517,694)	(189,517,694)
Balance at March 31, 2020	658,067,676	(228,722,894)	429,344,782
Securities premium received during the year on issue of equity shares	**398,088,000**	-	**398,088,000**
Loss for the year 2020-21	-	**(182,107,493)**	**(182,107,493)**
Balance at March 31, 2021	**1,056,155,676**	**(410,830,387)**	**645,325,289**

Description of the components of other equity

Securities Premium
Premium received on equity shares issued are recognised in the securities premium.

Retained earnings
Retained Earnings is the accumulated balance of surplus in the statement of profit and loss and other comprehensive income.

Significant accounting policies 1

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

As per our report of even date.

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

B S R & Co. LLP + KOLKATA + Chartered Accountants

Jayanta Mukhopadhyay
Partner
Membership No. 055757
Kolkata, 19 April 2021

For and on behalf of Board of Directors of
Exide Leclanche Energy Private Limited
CIN: U74999GJ2018PTC104468

Exide Leclanche Energy Private Limited

Sd/-

Gautam Chatterjee
Director
DIN: 00012306
Kolkata, 19 April 2021

Sd/-

Arun Mittal
Director
DIN: 00412767
Kolkata, 19 April 2021

Sd/-

Stefan Louis
Chief Executive Officer

Ahmedabad, 19 April 2021

Sd/-

Rakesh Poddar
Chief Financial Officer
Membership No.: 061436
Ahmedabad, 19 April 2021

Sd/-

Divya Agarwal
Company Secretary
Membership No.: 30301
Ahmedabad, 19 April 2021

Corporate Information

Exide Leclanche Energy Private Limited (the company), having CIN No.: U74999GJ2018PTC104468, is a company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. The Company was incorporate on 29 September 2018 to carry on the business of manufacturing and selling of lithium-ion batteries. The registered office of the company is located at Plot no. 10/1, Kamalpur, NH No. 8, Prantij, District: Sabarkantha, Prantij, Gujarat – 383205, India. The Company is in the process of commencement of lithium-ion battery manufacturing facility at Prantij, Gujarat.

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 19 April 2021.

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 rupees, unless otherwise indicated.

The financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value.

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.

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.

Refer Note 2(a) to the Financial Statements

b. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

Depreciation and residual value of is calculated on a straight-line basis over the estimated useful lives of the assets defined in Schedule II to the Companies Act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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 27 to the Financial Statements

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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.

Research costs are expensed as incurred.

Development expenditure is capitalized 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 Company 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 - 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 and 27 to the Financial Statements

d. 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.

e. 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.

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(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 recognizes 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 Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund and is a defined benefit plan.

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.

(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 25 and 34 to the Financial Statements.

f. 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.

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g. 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 4 to the Financial Statements.

h. Leases

<u>The Company as a lessee</u>

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 recognizes 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 recognizes 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.

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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.

Refer Note 35 to the financial statements.

i. 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.

Raw materials, Components, Stores and Spares: These are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the respective finished products will exceed their net realisable value.

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 7 to the Financial Statements.

j. Revenue Recognition

At contract inception, Company assess the goods or services promised in a contract with a customer and identify 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 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.

Revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

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.

Refer Note 22 to the Financial Statements.

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k. Earnings per share

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

Refer Note 29 to the Financial Statements.

l. Segment reporting

The Company has identified single segment (namely, "manufacturing and sale of lithium-ion batteries"). The analysis of geographical segments is based on the areas in which customers of the Company are located.

Refer Note 33 to the 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 Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Refer Note 31 to the Financial Statements.

n. Financial instruments

The Company recognises financial assets and financial liabilities 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.

<u>Classification and subsequent measurement</u>

On initial recognition, a financial asset is classified as measured at amortised cost; Fair value through other comprehensive income (FVOCI) – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the conditions and is not designated as at FVTPL: (i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The subsequent measurement of gains and losses of various categories of financial instruments are as follows: (i) Financial assets at amortised cost: these assets are subsequently measured at amortised cost using the effective

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interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(ii) Equity investments at FVOCI: these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

(iii) Financial assets at FVTPL: these assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and Losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities: The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

Refer Note 36 and 37 to the Financial Statements.

o. 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.

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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.

p. Borrowing cost

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 acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

q. 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.

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r. 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 EITDA are 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, 2021.

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EXIDE LECLANCHE ENERGY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
Amounts in Indian Rupees

2a Property, Plant and Equipment

	Buildings and Leasehold improvements	Plant and equipment (including electrical installation)	Office Equipment	Furniture and fixtures	Vehicles	Computers	Total
Cost (Gross Carrying Amount)							
Balance as at April 1, 2019	28,669,092	33,188,632	-	-	-	444,321	62,302,045
Additions for the year	-	2,087,316	252,950	751,264	1,718,314	3,835,197	8,645,041
Balance as at March 31, 2020	28,669,092	35,275,948	252,950	751,264	1,718,314	4,279,518	70,947,086
Additions for the year	**8,787,951**	**22,250,743**	-	-	-	**3,440,837**	**34,479,531**
Balance as at March 31, 2021	**37,457,043**	**57,526,691**	**252,950**	**751,264**	**1,718,314**	**7,720,355**	**105,426,617**
Accumulated depreciation							
Balance as at April 1, 2019	3,890,806	534,655	-	-	-	35,789	4,461,250
Depreciation for the year	23,344,833	2,168,324	131	44,982	229,695	218,927	26,006,892
Balance as at March 31, 2020	27,235,639	2,702,979	131	44,982	229,695	254,716	30,468,142
Depreciation for the year	**390**	**2,399,063**	**48,061**	**70,617**	**272,189**	**1,269,168**	**4,059,488**
Balance as at March 31, 2021	**27,236,029**	**5,102,042**	**48,192**	**115,599**	**501,884**	**1,523,884**	**34,527,630**
Carrying amount (net)							
Balance as at March 31, 2020	1,433,453	32,572,969	252,819	706,282	1,488,619	4,024,802	40,478,944
Balance as at March 31, 2021	**10,221,014**	**52,424,649**	**204,758**	**635,665**	**1,216,430**	**6,196,471**	**70,898,987**

Note:
Charge has been created over items of movable property, plant and equipment for working capital demand loan availed from bank (refer note 17).

2b Movement of Capital work-in-progress

	Opening Balance	Addition during the period	Capitalised	Closing Balance
2019-20	11,180,980	176,316,554	-	187,497,534
2020-21	**187,497,534**	**745,003,417**	**34,821,531**	**897,679,420**

2c Right-of-use asset

	Land and Building
Cost (Gross Carrying Amount)	
Balance as at April 1, 2019	-
Additions for the year	172,397,296
Balance as at March 31, 2020	172,397,296
Additions for the year	-
Balance as at March 31, 2021	**172,397,296**
Accumulated depreciation	
Balance as at April 1, 2019	-
Depreciation for the year	14,776,911
Balance as at March 31, 2020	14,776,911
Depreciation for the year	**19,702,548**
Balance as at March 31, 2021	**34,479,459**
Carrying amount (net)	
Balance as at March 31, 2020	157,620,385
Balance as at March 31, 2021	**137,917,837**

3 Intangible Assets

	Software
Cost (Gross Carrying Amount)	
Balance as at April 1, 2019	-
Additions for the year	5,081,238
Balance as at March 31, 2020	5,081,238
Balance as at March 31, 2020	**5,081,238**
Additions for the year	**342,000**
Balance as at March 31, 2021	**5,423,238**
Accumulated amortisation	
Balance as at April 1, 2019	-
Amortisation for the year	2,721
Balance as at March 31, 2020	2,721
Amortisation for the year	**1,003,118**
Balance as at March 31, 2021	**1,005,839**
Carrying amount (net)	
Balance as at March 31, 2020	5,078,517
Balance as at March 31, 2021	**4,417,399**

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	March 31, 2021	March 31, 2020
4 Deferred tax assets (net)		
Deferred tax assets		
Arising out of temporary difference in depreciable assets	658,452	4,345,737
On expenses allowable against taxable income in future years	1,211,860	542,199
On lease liabilities (net of right of use assets)	2,287,034	910,862
Unabsorbed depreciation **	8,248,689	3,576,687
Unabsorbed business loss **	93,253,074	50,148,774
	105,659,109	59,524,259
Deferred tax liabilities		
Unrealised gain on investment in mutual funds	567,986	2,656,697
Deferred tax assets (net)	-	-

** The unabsorbed business loss can be carried forward only for a period of 8 years from the year they arise. The losses are being carried forward from FY 2018-19. Unabsorbed depreciation does not get expired.
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, the deferred tax assets has been recognized only to the extent of deferred tax liability.

	March 31, 2021	March 31, 2020
Reconciliation of statutory rate of tax and effective rate of tax:		
Loss before tax	(182,107,493)	(189,517,694)
Domestic tax rate of 25% (PY: 25%) plus cess	26%	26%
Tax using the Company's domestic tax rate	(47,347,948)	(49,274,600)
Adjustments:		
Current year losses for which no deferred tax asset is recognised	48,223,561	49,274,600
Other adjustments	(875,613)	-
Income tax expense	-	-

	March 31, 2021	March 31, 2020
5 Loans		
Unsecured, considered good		
Security deposits	401,080	3,877,828
	401,080	3,877,828
The breakup is as follows:		
Non-current	398,081	398,081
Current	2,999	3,479,747
	401,080	3,877,828
6 Other non current assets		
Unsecured , considered good		
a) Prepaid expenses	-	38,363
b) Balances and deposit with Government Authorities	298,809,581	115,531,276
c) Capital advances	12,806,910	133,859,243
	311,616,491	249,428,882
7 Inventories		
(at lower of cost and net realisable value)		
a) Raw materials and components	231,551,058	24,776,656
	231,551,058	24,776,656

Charge has been created over stock for working capital demand loan availed from bank (refer note 17).

	March 31, 2021		March 31, 2020	
8 Investments	**No. of units**	**Amount**	**No. of units**	**Amount**
i) Investments at fair value through Profit & Loss				
UNITS OF MUTUAL FUND (Unquoted)				
Franklin India Liquid Fund - Super Institutional Plan – Direct -Growth Plan	-	-	49,099	146,479,137
HDFC Liquid Fund - Direct Plan - Growth Option	5,067	20,500,604	38,308	149,652,761
ICICI Prudential Liquid Fund - Direct Plan -Growth	231,089	70,421,289	636,292	186,930,754
DSP Liquid Fund - Direct Plan -Growth	6,263	18,419,257	15,406	43,765,244
Kotak Liquid Fund Direct Plan Growth	3,730	15,514,801	6,382	25,623,071
SBI Liquid Fund Direct Plan-Growth	24,884	80,165,882	-	-
		205,021,833		552,450,967
Aggregate book value and market value of unquoted investment		205,021,833		552,450,967

Refer Note 36 for information about fair value measurement and Note 37 for credit risk and market risk of investment.

	March 31, 2021	March 31, 2020
9 Trade Receivables		
Unsecured, considered good		
Trade receivables	875,477	20,355,932
	875,477	20,355,932

The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 37
Charge has been created over book debts for working capital demand loan availed from bank (refer note 17).

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	March 31, 2021	March 31, 2020
10 Cash and cash equivalents		
a) Balances with banks on		
Current account	**5,083,476**	6,683,677
b) Cash in hand	**28,702**	61,656
	5,112,178	6,745,333
11 Bank balances other than cash and cash equivalents		
Bank deposits having original maturity of more than 3 months	**19,737,888**	625,000
	19,737,888	625,000
12 Other financial assets		
Unsecured, considered good		
Accrued interest on bank deposits	**501,899**	8,176
Advance for purchase of investment	**3,000,000**	-
	3,501,899	8,176
13 Other current assets		
Unsecured, considered good		
Advances to suppliers	**24,499,869**	8,504,117
Advances to employees	**20,000**	280,760
	24,519,869	8,784,877

14 Share capital

	March 31, 2021	March 31, 2020
a) **Authorised**		
175,000,000 (PY: 125,000,000) Equity Shares of Rs. 10 each	**1,750,000,000**	1,250,000,000
b) **Issued, subscribed & fully paid-up**		
128,594,034 (PY:102,054,834) Equity Shares of Rs. 10 each	**1,285,940,340**	1,020,548,340

c) **Reconciliation of the number of equity shares**

	March 31, 2021		March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Opening balance at the beginning of the year	**102,054,834**	**1,020,548,340**	55,050,000	550,500,000
Shares issued during the year	**26,539,200**	**265,392,000**	47,004,834	470,048,340
Closing balance at the end of the year	**128,594,034**	**1,285,940,340**	102,054,834	1,020,548,340

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

The company has only one class of Equity Shares having a par value of Rs. 10 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.

e) **Shares held by holding company**

Name of Shareholder	March 31, 2021 Number of Shares	March 31, 2020 Number of Shares
Exide Industries limited	**103,070,120**	76,530,920

f) **Details of shareholders holding more than 5% shares in Company**

Name of Shareholder	March 31, 2021		March 31, 2020	
	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage
Exide Industries Limited - Holding Company *	**103,070,120**	**80.15%**	76,530,920	74.99%
Leclanché SA, Switzerland	**25,523,914**	**19.85%**	25,523,914	25.01%
	128,594,034	**100.00%**	102,054,834	100.00%

* includes shares held by nominees

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	March 31, 2021	March 31, 2020
15 Other equity		
a) **Securities Premium Account**	**1,056,155,676**	658,067,676
Premium received on equity shares issued is recognised in the securities premium		
b) **Retained earnings**	**(410,830,387)**	(228,722,894)
Retained Earnings is the accumulated balance of surplus in the statement of profit and loss and other comprehensive income		
	645,325,289	429,344,782
16 Non-current provisions		
Provision for employee benefits		
Gratuity (refer note 34)	**488,000**	464,381
Compensated absences	**3,988,000**	1,526,000
	4,476,000	1,990,381
17 Short term borrowings		
Working Capital Demand Loan (WCDL) - secured	**157,598,112**	-
	157,598,112	-

The Company has availed WCDL from Axis Bank whose outstanding amount aggregates to Rs. 150,030,634. The loan is secured by way of first pari passu charge on entire stock and book debts of the Company (both present and future) with other WC bankers under multiple banking arrangements. The loans is repayable on demand and carries interest rates of 3M MCLR + 0.20%.

The Company has availed WCDL from ICICI Bank whose outstanding amount aggregates to Rs. 7,567,478. The loan is secured by way of first pari passu charge over current assets of the company and second pari passu charge over movable fixed assets of the company. The loans are repayable on demand and carries interest rates of 6M MCLR + 1.10%.

Refer Note 36 for information about fair value measurement and Note 37 for information about liquidity risk.

Reconciliation of liabilities from financing activities pertaining to Short term borrowings is as follows: Opening Balance as on 1 April 2020 - Nil, Net cash proceeds from Borrowings during the year - Rs 157,598,112, Closing Balance as on 31 March 2020 - Rs 157,598,112

	March 31, 2021	March 31, 2020
18 Trade payables		
Trade payable for goods & services		
Total outstanding dues of micro and small enterprises (refer note 32)	**5,773,020**	398,334
Total outstanding dues of creditors other than micro and small enterprises	**29,218,925**	18,425,389
	34,991,945	18,823,723

Refer note 37 for information about liquidity risk related to trade payables.
Refer note 38 for Related Party disclosure for trade payables to related parties and its terms and conditions

	March 31, 2021	March 31, 2020
19 Other financial liabilities (at amortised cost)		
Payable for capital goods	**124,344,800**	35,683,487
Employee related liabilities	**18,572,720**	16,358,233
Other payables	**1,393,276**	-
	144,310,796	52,041,720
20 Other current liabilities		
Taxes and duties payable	**7,907,295**	5,277,456
	7,907,295	5,277,456
21 Current provisions		
Provision for employee benefits		
Compensated absences	**185,000**	95,000
	185,000	95,000

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	Year ended March 31, 2021	Year ended March 31, 2020
22 Revenue from operations		
Sale of products	30,264,249	21,918,483
	30,264,249	21,918,483

(i) Sales are net GST. No other variable considerations such as discounts etc provided to customers
(ii) Revenue from operations represents sale of battery and allied products to institutional customers within India, therefore disaggregation of product sold based on industry vertical, customers profile and based on geographical location has not been provided separately. Further, the revenue recognised in the financial statements represents the contracted revenue.

Further, information for revenue from customer representing 10% or more of the Company's total revenue during the year ended March 31, 2021 and March 31, 2020 has been disclosed in note 33.

23 Other Income		
Interest Income on:		
Bank deposits	574,715	8,176
Other non-operating income:		
Gain on fair value of investments in mutual funds units	2,184,560	10,218,067
Profit on sale of investments in mutual funds units	10,537,715	9,053,900
Net foreign exchange gain	-	6,806,918
Miscellaneous Income	400,003	-
	13,696,993	26,087,061
24 Cost of materials consumed		
Opening Stock	24,776,656	4,905,323
Add: Purchases	214,356,103	19,871,333
	239,132,759	24,776,656
Less: Closing Stock	231,551,058	24,776,656
	7,581,701	-
25 Employee benefits expenses		
Salaries, wages and bonus	85,473,051	44,296,933
Contribution to provident and other funds (refer note 34)	9,560,596	7,071,177
Staff welfare expenses	10,857,416	11,221,173
	105,891,063	62,589,283
26 Finance costs		
Interest on lease liabilities	13,916,359	9,970,861
Interest on bank borrowings	2,995,020	-
	16,911,379	9,970,861
27 Depreciation and Amortisation		
Depreciation of Property, Plant and Equipments	4,059,488	26,006,892
Amortisation of intangible assets	1,003,118	2,721
Depreciation of right-of-use asset	19,702,548	14,776,911
	24,765,154	40,786,524
28 Other expenses		
Power and fuel	8,346,767	11,751,451
Repairs and maintenance		
Buildings	263,254	566,188
Plant & machinery	772,352	761,475
Others	6,246,370	2,321,313
Rent & hire charges (refer note 35)	599,000	6,121,054
Rates and taxes	3,889,732	10,034,036
Insurance	1,616,337	1,326,220
Publicity and sales promotion	3,061,664	4,756,444
Travelling and conveyance	4,942,566	24,210,925
Bank charges	252,827	49,695
Communication costs	871,698	451,637
Directors' sitting fees	200,000	240,000
Deposits written off	-	1,101,744
Net foreign exchange loss	2,222,452	-
Auditors' remuneration:		
As Auditors		
- For Statutory audit	500,000	500,000
- Out of pocket expenses	33,250	36,850
Miscellaneous expenses (refer note 28.1)	25,847,148	40,530,118
	59,665,417	104,759,150
28.1 Miscellaneous expenses		
Motor vehicle running expenses	102,134	141,009
Security services	2,473,289	2,294,397
Safety equipments consumed	2,679,150	426,594
Consultancy and services outsourced	17,211,573	35,354,295
General expenses	449,861	812,679
Legal expenses	335,862	277,847
Printing & stationery	205,166	295,121
Testing charges	2,390,113	928,176
	25,847,148	40,530,118
29 Earnings per share (EPS)		
Details for calculation of basic and diluted earning per share:		
Loss after tax as per Statement of Profit and Loss	(182,107,493)	(189,517,694)
Weighted average number of equity share (Numbers)	114,488,267	75,555,726
Basic and diluted earning per share (Amount in INR)	(1.59)	(2.51)

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30 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.

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 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 financial statements and the Company will continue to closely monitor any material changes to future economic conditions.
Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows :

I Estimates

a) Employee benefit plans
The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer note 34.

II Judgement

a) Intangible assets
Classification of costs incurred on internally generated intangible assets between research cost and development cost requires judgment. The management applies the principles laid down in Ind AS 38 "Intangible Assets" to determine the nature of the cost incurred.

b) Deferred tax
Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in following note:
Note 4 of the financial statement on recognition of deferred tax assets - availability of future taxable profit against which tax losses carried forward can be used.

31 Commitments and contingencies

	March 31, 2021	March 31, 2020
Capital commitment	36,434,333	389,581,864

There are no contingencies as at the year end 31 March 2021 and 31 March 2020

32 Details of dues to micro and small enterprises as defined under The Micro, Small And Medium Enterprises Development (MSMED) Act, 2006

	March 31, 2021	March 31, 2020
Principal and interest amount remaining unpaid		
- Principal	**5,773,020**	398,334
- 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.	-	-

33 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "manufacturing and sale of lithium-ion batteries"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considered necessary. The Company operates only in India and hence disclosure for geographical segment is not considered necessary.

Information about major customers:
During the year, the Company has made sales to 3 customers (previous year 1 customer) which is individually more than 10% of total revenues. The amount of aggregate revenue from such customers aggregated to **INR 27,881,711** (previous year INR 16,134,048).

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34 Post employment benefit plan

		2020-21 Gratuity	2019-20 Gratuity
I	**Expenses recognised in the statement of profit and loss**		
i	Past service cost	-	1,573,000
ii	Current service cost	**1,841,000**	-
iii	Interest income on plan assets	**(259,752)**	-
	Expenses recognised in OCI		
iv	Net interest on net defined benefit liability / (asset)	-	-
v	Actuarial (gains) / losses	-	-
vi	Total expense	**1,581,248**	1,573,000
II	**Net asset / (liability) recognised in the Balance Sheet**		
i	Present value of defined benefit obligation	**3,414,000**	1,573,000
ii	Fair value of plan assets	**2,926,000**	1,108,619
iii	Total asset / (liability)	**(488,000)**	(464,381)
III	**Change in defined benefit obligation during the year**		
i	Present value of defined benefit obligation at the beginning of the year	**1,573,000**	-
ii	Current service cost	**1,841,000**	
iii	Past service cost	-	1,573,000
iii	Present value of defined benefit obligation at the end of the year	**3,414,000**	1,573,000
IV	**Change in the fair value of plan assets during the year**		
i	Plan assets at the beginning of the year	**1,108,619**	-
ii	Contribution by employer	**1,557,629**	1,108,619
iii	Interest income on plan assets	**259,752**	-
iv	Plan assets at the end of the year	**2,926,000**	1,108,619
V	**The major categories of plan assets as a percentage of the fair value of total plan assets**		
i	Investments with insurer	**100%**	100%
VI	**Maturity profile of the defined benefit obligation**		
i	Weighted average duration of the defined benefit obligation	**12 years**	11 years
ii	Expected benefit payments for the year ending		
	Not later than 1 year	**20,000**	13,000
	Later than 1 year and not later than 5 years	**635,000**	422,000
	More than 5 years	**6,192,000**	5,773,000
VII	**Actuarial assumptions**		
i	Discount rate	**6.8 % p.a**	6.7 % p.a
ii	Mortality pre-retirement	**Indian Assured Lives Mortality (2006-08) (modified) Ult.**	Indian Assured Lives Mortality (2006-08) (modified) Ult.
iii	Employee turnover rate	**2%**	2%
iv	Expected increase in salary	**5%**	5%

VIII 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.

IX The Company makes contribution to provident fund & NPS which are defined contribution plans. Total contribution to the aforesaid funds during the year aggregated to **Rs 7,979,348** (PY: Rs 5,498,177).

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34 Post employment benefit plan (continued)

X The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Assumptions	**Discount rate (a)**	
Sensitivity level	**1% increase**	**1% decrease**
March 31, 2021	**(350,000)**	**407,000**
March 31, 2020	(152,000)	176,000

Assumptions	**Future salary increases (b)**	
Sensitivity level	**1% increase**	**1% decrease**
March 31, 2021	**330,000**	**(286,000)**
March 31, 2020	177,000	(156,000)

(a) Based on interest rates of government bonds
(b) Based on managements estimate

35 Leases
A. Leases as lessee

i. Short-term
The Company has leased guest houses and industrial land 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.

Expenses pertaining to the above short-term leases recognised in the statement of profit and loss is as follows:

Particulars	**March 31, 2021**	**March 31, 2020**
Expenses relating to short-term leases	**599,000**	6,121,054

Lease payments for short-term leases not included in the measurement of the lease liability are classified as cash flows from operating activities.

ii. Right-of-use and lease liabilities recognised in the financial statements represents the Company's lease of factory land and building. The lease is for a period of 9 years. There being no variable component of lease rentals.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be made after the reporting date:

Particulars	**March 31, 2021**	**March 31, 2020**
Less than one year	**28,325,940**	28,325,940
Between one year and five years	**113,303,760**	113,303,760
More than 5 years	**56,651,880**	84,977,820
	198,281,580	226,607,520

Total cash outflow for leases	**28,924,939**	27,365,509

iii. Reconciliation of liabilities from financing activities

Lease liabilities movement	**March 31, 2021**	**March 31, 2020**
Balance at the commencement of the year	**161,123,702**	-
Lease liability recognised during the year	**-**	172,397,296
Interest expenses (non cash)	**13,916,359**	9,970,861
Payment of lease liability reflected in Statement of Cash Flow	**(28,325,939)**	(21,244,455)
Balance at the end of the year	**146,714,122**	161,123,702

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36 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.

B. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

	Note	March 31, 2021	March 31, 2020
Financial assets measured at fair value through profit and loss*			
Investments - in mutual funds	8	205,021,833	552,450,967
		205,021,833	552,450,967
Financial assets at amortised cost**			
Trade receivables	9	875,477	20,355,932
Cash and cash equivalents	10	5,112,178	6,745,333
Bank Balances other than cash and cash equivalents	11	19,737,888	625,000
Loans	5	401,080	3,877,828
Other financial assets	12	3,501,899	8,176
		29,628,522	31,612,269
Financial liabilities at amortised cost**			
Lease liabilities		146,714,122	161,123,702
Short term borrowings	17	157,598,112	-
Trade payables	18	34,991,945	18,823,723
Other financial liabilities	19	144,310,796	52,041,720
		483,614,975	231,989,145

* The above investments are classified as level 2 category of the fair value hierarchy. The fair value of investments in unquoted mutual funds is determined by reference to quotes from the financial institutions i.e. Net asset value (NAV) for investments in mutual funds as declared by mutual fund house.
** The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

37 Financial risk management objectives and policies

Risk management framework
The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.
The Company has exposure to the following risks arising from financial instruments:
I) Market Risk
II) Credit Risk
III) Liquidity Risk

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 FVTPL investments, trade payables, trade receivables, etc.

i) 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.

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.

Payables as at	Changes in rate	Foreign currency Payable (net)	Effect on profit before tax
	%		
March 31, 2021	**5%**	**91,673,187**	**(4,583,659)**
	-5%		**4,583,659**
March 31, 2020	5%	23,453,458	(1,172,673)
	-5%		1,172,673

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Amounts in Indian Rupees

ii) Security price risk

The Company's investment are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total mutual funds. Reports on the investment portfolio are submitted to the Company's management on a regular basis.

Securities price sensitivity

The following table shows the effect of price changes in securities.

	Changes in fair value	Investment	Effect on profit before tax
	%		
March 31, 2021	**5%**	**205,021,833**	**10,251,092**
	-5%		**(10,251,092)**
March 31, 2020	5%	552,450,967	27,622,548
	-5%		(27,622,548)

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 carrying amount of financial assets represents the maximum credit exposure.

Credit risk on cash and cash equivalents, balances with bank and balance in investment is limited as the banks, financial institutions, mutual fund houses etc, with whom such balances are maintained have high credit ratings assigned by international and domestic credit rating agencies.

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.

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).

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.

Particulars			March 31, 2021
	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Trade payables	34,991,945	-	34,991,945
Short term borrowings	157,598,112	-	157,598,112
Other financial liabilities	144,310,796	-	144,310,796
	336,900,853	-	336,900,853

Particulars			March 31, 2020
	Contractual cash flows 1 year or less	More than 1 year	Total Carrying Amount
Liabilities			
Trade payables	18,823,723	-	18,823,723
Other financial liabilities	52,041,720	-	52,041,720
	70,865,443	-	70,865,443

The maturity analysis of the Company's lease liabilities based on contractually agreed undiscounted cash flows is given in note 35.

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38 Related Party Transactions:

i) Particulars of related parties :

A. Where control exists

Enterprise / Individuals having a direct or indirect control over the Company
LIEC Holdings SA, Switzerland - Ultimate Holding Company
Exide Industries Limited, India - Holding Company (EIL)

Enterprise / Individuals having significant influence over the Company
Leclanche S.A., Switzerland (LSA)

Enterprises under common control
Exide Life Insurance Company Limited (ELI)

B. Others

Key Management Personnel
Mr. Gautam Chatterjee, Director
Mr. Subir Chakraborty, Director
Mr. Arun Mittal, Director
Mr. Hubert Angleys, Director
Mr. Surin Shailesh Kapadia, Directors
Ms. Mona Ninad Desai, Directors
Mr. Stefan Louis, Chief Executive Officer
Mr. Arun Sharma, Chief Financial Officer & CS (till 25th August 2020)
Mr. Rakesh Poddar, Chief Financial Officer (From 25th August 2020)
Ms. Divya Agarwal, Company Secretary (From 25th August 2020)

ii) Details of transactions entered :

Particulars	Enterprise/ Individuals having direct or indirect control	Enterprise / Individuals having significant influence over the Company	Enterprises under common control	Key Management Personnel	Total
	Transaction Value	Transaction Value	Transaction Value	Transaction Value	Transaction Value
Issue of share capital (including share premium)					
- EIL	663,480,000	-	-	-	663,480,000
	(845,974,200)	-	-	-	(845,974,200)
- LSA	-	-	-	-	-
	-	(282,141,816)	-	-	(282,141,816)
Payment of lease rentals					
- EIL	33,424,608	-	-	-	33,424,608
	(25,068,445)	-	-	-	(25,068,445)
Sale of goods					
- EIL	-	-	-	-	-
	(16,134,048)	-	-	-	(16,134,048)
- LSA	-	407,047	-	-	407,047
	-	-	-	-	-
Reimbursement of expenses received					
- LSA	-	216,978	-	-	216,978
	-	-	-	-	-
Purchases of goods including raw-material					
- EIL	16,872,183	-	-	-	16,872,183
	(1,150,376)	-	-	-	(1,150,376)
- LSA	-	5,064,796	-	-	5,064,796
	-	(8,802,628)	-	-	(8,802,628)
Services received					
- ELI	-	-	1,902,645	-	1,902,645
	-	-	(1,364,882)	-	(1,364,882)
Purchase of property, plant and equipment and related services					
- LSA	-	-	-	-	-
	-	(7,158,263)	-	-	(7,158,263)
Remuneration					
- Short-term employee benefits (including sitting fee)	-	-	-	34,917,938	34,917,938
	-	-	-	(30,381,900)	(30,381,900)
- Post retirement benefits*	-	-	-	2,224,491	2,224,491
	-	-	-	(2,138,400)	(2,138,400)

* 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

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EXIDE LECLANCHE ENERGY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
Amounts in Indian Rupees

38 Related Party Transactions:

iii) Details of balances outstanding:

Particulars	March 31, 2021	March 31, 2020
	Balance	Balance
Trade payable		
- EIL	16,872,183	3,699,711
- LSA	7,198,928	8,802,628
Trade receivables		
- EIL	-	16,134,048
Payable for capital goods		
- LSA	-	2,798,963
Remuneration payable to KMP		
- Short-term employee benefits	8,820,000	7,056,000

Terms and conditions of transactions with related parties
The purchases and services 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. Assessment for impairment of any receivable balances from related party is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

39 The Company is not liable to incur any Corporate Social Responsibility (CSR) expenditure as per the requirements of Section 135 of the Companies Act, 2013. Accordingly, no expenditure on CSR activities has been incurred by the Company during the year

40 The Indian Parliament has approved the Code on Social Security, 2020 ('Code') which may have impact on the employee benefits during employment and post employment benefits. The Company will assess the impact of the Code and record any related impact in the period in which the Code becomes effective and the related rules are notified.

41 **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.

As per our report of even date.

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

Jayanta Mukhopadhyay
Partner
Membership No. 055757
Kolkata, 19 April 2021

B S R & Co. LLP KOLKATA Chartered Accountants

For and on behalf of Board of Directors of
Exide Leclanche Energy Private Limited
CIN: U74999GJ2018PTC104468

Sd/-

Gautam Chatterjee
Directors
DIN: 00012306
Kolkata, 19 April 2021

Sd/-

Arun Mittal
Director
DIN: 00412767
Kolkata, 19 April 2021

Sd/-

Stefan Louis
Chief Executive Officer

Ahmedabad, 19 April 2021

Sd/-

Rakesh Poddar
Chief Financial Officer
Membership No.: 061436
Ahmedabad, 19 April 2021

Sd/-

Divya Agarwal
Company Secretary
Membership No.: 30301
Ahmedabad, 19 April 2021