

Touching Lives



**BOARD OF DIRECTORS**

**R. G. Kapadia**, *Chairman & Non Executive Director*  
**R. B. Raheja**, *Vice Chairman & Non-Executive Director*  
**T. V. Ramanathan**, *Managing Director & Chief Executive Officer*  
**G. Chatterjee**, *Director – Industrial*  
**P. K. Katak**, *Director – Automotive*  
**A. K. Mukherjee**, *Director – Finance & Chief Financial Officer*  
**Nadeem Kazim**, *Director – HR and Personnel*  
**Vijay Aggarwal**, *Non Executive Director*  
**H M Kothari**, *Non Executive Director*  
**Bhaskar Mitter**, *Non Executive Director*  
**S. B. Raheja**, *Non Executive Director*  
**D. S. Parekh**, *Non Executive Director (Alternate to S. B. Raheja)*  
**Mona N Desai**, *Non Executive Director*  
**W. Wong**, *Non Executive Director*

**SECRETARY**

**S. Coomer**

**AUDIT COMMITTEE**

**R. G. Kapadia**  
**Bhaskar Mitter**  
**Vijay Aggarwal**  
**Mona N Desai**

**REMUNERATION COMMITTEE**

**Bhaskar Mitter**  
**R. G. Kapadia**  
**T. V. Ramanathan**  
**Vijay Aggarwal**  
**Mona N Desai**

**SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE**

**Bhaskar Mitter**  
**T. V. Ramanathan**  
**G. Chatterjee**

**SHARE TRANSFER COMMITTEE**

**T. V. Ramanathan**  
**G. Chatterjee**  
**P. K. Katak**  
**A. K. Mukherjee**

**BANKING OPERATIONS COMMITTEE**

**T. V. Ramanathan**  
**G. Chatterjee**  
**P. K. Katak**  
**A. K. Mukherjee**

**EXECUTIVE COMMITTEE**

**T. V. Ramanathan**  
**G. Chatterjee**  
**P. K. Katak**  
**A. K. Mukherjee**  
**Nadeem Kazim**  
**S. Coomer**

**BANKERS**

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

**STATUTORY AUDITORS**

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

**COST AUDITOR**

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

**REGISTRAR AND SHARE TRANSFER AGENT**

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

**SOLICITORS**

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

**REGISTERED OFFICE**

EXIDE HOUSE  
59E, Chowringhee Road  
Kolkata 700 020

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 65th Annual General Meeting of the Company will be held at Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017 on Tuesday, the 17th day of July, 2012 at 10.30 am to transact the following business:-

### ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended 31 March, 2012 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr Bhaskar Mitter who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr Vijay Aggarwal who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr R G Kapadia who retires by rotation and, being eligible, offers himself for reappointment.
6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT Messrs S R B C & CO., Chartered Accountants, be and are hereby appointed auditors of the Company to hold

office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors of the Company.”

### SPECIAL BUSINESS

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

“RESOLVED THAT, pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, Mr T V Ramanathan be and is hereby reappointed as the Managing Director and Chief Executive Officer of the Company for a period of one year with effect from 1st May, 2012 upto 30th April, 2013 on such remuneration and terms and conditions of service as detailed in the Explanatory Statement under Section 173(2) of the Companies Act, 1956 annexed to the Notice convening the Meeting.”

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

Dated: 30th April, 2012

By Order of the Board

Company Secretary and  
Vice President - Legal &  
Administration

### NOTES

- A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member. The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time for holding of the Meeting.**
- The Register of Members and Share Transfer Books of the Company will remain closed from 10th July, 2012 to 17th July, 2012, both days inclusive. Dividend, if declared at the Meeting, will be payable to those members holding equity shares in physical form whose names appear in the Company's Register of Members on 17th July, 2012 or to their mandatees. Dividend, if any, in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as

on 10th July, 2012 as per the details furnished to the Company by both NSDL and CDSL.

- Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking reappointment at this Meeting, as required under Clause 49(G)(i) of the Listing Agreement with the Stock Exchanges, is annexed to this Notice.
- Pursuant to Section 205A of the Companies Act, 1956, Dividend for the financial year ended 31st March, 2005 which remains unpaid or unclaimed, will be due for transfer to the Investors Education and Protection Fund of the Central Government in September 2012. Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2005 and onwards, are requested to claim the amount forthwith from the Company.

- e. Members holding shares in physical form are requested to notify/send the following to the Company or its Registrars to facilitate better service:-
  - i. Any change in their address/bank details;
  - ii. Particulars of their bank account, in case the same have not been sent earlier; and
  - iii. Share Certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
- f. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective depositories, viz., NSDL and CDSL, will be considered for payment of dividend through ECS.
- g. **To support the Green Initiative in corporate governance Members are requested to provide their email addresses for receiving various documents including Annual Reports from the Company. An email may be sent to the Company's Registrar and Share Transfer Agents at [investor@cbmsl.com](mailto:investor@cbmsl.com) mentioning the Company's name and the Members Folio No./DPID & Client ID.**

**Special Notice of Resolution under Section 190 of the Companies Act, 1956 for appointment of Auditor**

Messrs S R Batliboi & Co., Chartered Accountants, the Auditors retire at the conclusion of the ensuing Annual General Meeting and have expressed their unwillingness to be reappointed for a further term. The Company has received a Notice from a shareholder pursuant to Section 225, read with Section 190, of the Companies Act, 1956 proposing a resolution for approval of the members at the Annual General Meeting to be held on 17th July, 2012 for appointment of Messrs S R B C & Co., Chartered Accountants, a network firm of Messrs S R Batliboi & Co., as the Auditors of the Company. The subject Resolution is appearing as item no. 6 of the Notice convening the Annual General Meeting. A copy of the said Notice has been forwarded to the retiring Auditors as prescribed under Section 225 of the Companies Act, 1956. Messrs S R B C & Co., Chartered Accountants have also given their consent to act as Auditors, if appointed, and confirmed that the appointment, if made, would be in compliance with Section 224 (1B) of the Companies Act, 1956. Your Directors recommend that the resolution for appointment of Messrs S R B C & Co., Chartered Accountants as Auditors of the Company be approved by the Members.

None of the Directors are interested in or concerned with the said resolution.

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

**Item No.7**

The present term of appointment of Mr T V Ramanathan ("Mr Ramanathan") as Managing Director & Chief Executive Officer expired on 30th April, 2012. The Board of Directors of the Company at its meeting held on 30th April, 2012 re-appointed Mr Ramanathan as the Managing Director and Chief Executive Officer of the Company for a further period of one year with effect from 1st May, 2012, subject to the approval of the members in General Meeting.

The remuneration payable to and the terms and conditions of service of Mr Ramanathan as Managing Director & Chief Executive Officer with effect from 1st May, 2012 are set out below:-

Salary	₹ 6,95,000 per month.
Commission	Commission of 1% of the net profits of the Company computed in the manner laid down in Section 309 (5) of the Companies Act, 1956, subject to a maximum of annual salary for each year, based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors and payable annually after the Annual Accounts have been approved by the Board of Directors and Members of the Company.
Performance Bonus	Subject to a maximum amount equivalent to the annual salary based on certain performance criteria to be laid down by the Remuneration Committee of the Board of Directors.
Duties	Subject to the superintendence, control and direction of the Board, he shall have the responsibility of overall management of the business of the Company and for that purpose shall have the power to do all such acts, deeds and things as may be required on behalf of the Company or delegated to him by the Board/Chairman.
Period	For a period of one year with effect from 1st May, 2012 to 30th April, 2013.

## Other terms and conditions:

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

The Board considers the aforesaid re-appointment of Mr Ramanathan on the terms set out above to be in the interest of the Company and recommends that the resolution be adopted by the members. Except Mr T V Ramanathan, no other Director is concerned with or interested in the aforesaid resolution.

Registered Office:  
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Kolkata 700 020

Dated: 30th April, 2012

By Order of the Board

Company Secretary and  
Vice President - Legal &  
Administration

**Information pursuant to Clause 49 of Listing Agreement with regard to the Directors seeking appointment/ reappointment at the forthcoming Annual General Meeting (Refer Item Nos. 3 to 5 and 7 of the Notice)**

Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships/Other Committee memberships* held
Mr Bhaskar Mitter	11.10.1919	Mr Mitter, is a Barrister-at-Law (London) and has several years of experience in various aspects of business management. He is a former Chairman of the Andrew Yule Group, CESC Limited and BOC India Limited. He was also the President of Bengal Chamber of Commerce & Industry and Associated Chamber of Commerce & Industry.	Nil	<b><u>Directorships:</u></b> 1. Eveready Industries India Limited 2. Gloster Ltd. 3. Graphite India Limited <b><u>Committee Memberships</u></b> <u>Chairman of Shareholders'/Investors' Grievance Committee</u> 1. Eveready Industries India Ltd. <u>Membership of Audit Committee</u> 1. Eveready Industries India Ltd. 2. Graphite India Ltd. 3. Gloster Ltd. <u>Membership of Shareholders'/Investors' Grievance Committee</u> 1. Graphite India Limited 2. Gloster Ltd.
Mr Vijay Aggarwal	08.07.1968	Mr Aggarwal is an Electrical Engineer from IIT, Delhi and is also PGDM from IIM, Ahmedabad. He is the Managing Director of Prism Cement Limited.	Nil	<b><u>Directorships:</u></b> 1. Asianet Satellite Communications Ltd. 2. Prism Cement Ltd. 3. Indian Council of Ceramic Tiles & Sanitaryware 4. Aptech Limited 5. ING Vysya Life Insurance Company Limited 6. Ardex Endura (India) Pvt Ltd. 7. Spur Cable & Datacom Pvt Ltd. <b><u>Committee Memberships</u></b> <u>Chairman of Audit Committee</u> 1. Asianet Satellite Communications Limited <u>Membership of the Audit Committee</u> 1. Aptech Ltd.
Mr R G Kapadia	02.11.1956	Mr. R G Kapadia is a practicing Chartered Accountant and Senior Partner at G M Kapadia & Company, Chartered Accountants. Mr Kapadia served as the President of the Indian Merchants Chamber for 2005-2006 and is considered an expert on taxation and	Nil	<b><u>Directorships:</u></b> 1. Asianet Satellite Communications Ltd. 2. EIH Associated Hotels Limited 3. Goldiam International Limited 4. Goldiam Jewellery Limited 5. ING Vysya Life Insurance Co. Ltd. 6. Raheja QBE General Insurance Co. Ltd. 7. Prism Cement Ltd. 8. Surin Investments Pvt Ltd.

Name of the Director	Date of Birth	Brief resume and nature of expertise in functional area	No. of equity shares held in the Company	Other Directorships/Other Committee memberships* held
		accountancy and has several years of experience in the profession.		<b><u>Committee Memberships</u></b> Chairman of the Audit Committee 1. Goldiam International Limited 2. Prism Cement Limited 3. Raheja QBE General Insurance Co. Ltd. 4. ING Vysya Life Insurance Co. Ltd. <b><u>Membership of Audit Committee</u></b> 1. Asianet Satellite Communications Ltd. 2. EIH Associated Hotels Ltd. <b><u>Membership of Shareholders'/Investors' Grievance Committee</u></b> 1. Prism Cement Ltd.
Mr T V Ramanathan	08.07.1945	Mr Ramanathan is a Chartered Accountant and a Company Secretary. His total experience of 43 years includes 15 years overseas of which nearly five years was with the World Bank. Before joining the Company in 1995, he was associated with United Breweries group as Group Vice President – Finance and has a wealth of experience in dealing with Financial and Accounting matters in addition to corporate management.	45839	<b><u>Directorships:</u></b> 1. Chloride International Limited 2. Chloride Metals Limited 3. Chloride Alloys India Limited <b><u>Committee Memberships</u></b> <b><u>Membership of Audit Committee</u></b> 1. Chloride Metals Limited

\* Committee Memberships include Audit Committee and Shareholders' / Investors' Grievance Committee only.

Registered Office:  
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Kolkata 700 020

Dated: 30th April, 2012

By Order of the Board

Company Secretary and  
Vice President - Legal &  
Administration



## DIRECTORS' REPORT TO THE SHAREHOLDERS

(including Management Discussion & Analysis)

Your Board of Directors are pleased to present the 65th Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2012.

### Economic Environment

Within a year following the global financial crisis in 2007-08 the macro economic situation in India showed a gradual upward trend and the momentum continued upto the early months of 2011. The growth rate which had plummeted to 6.7% in 2008-09 was expected to register a growth of around 9% or more during 2011-12. Such growth rate, if achieved, would have brought back our economy to the pre-crisis levels of 2007-08. However, with every progressing month, since early 2011 it became evident that the rate of growth is on the decline and as per present estimates the rate of growth for the full year 2011-12 would be nearer to 7% which, barring 2008-09, would be the lowest growth in nine years. Though India's rate of economic growth was still high when compared globally but the complete reversal from the upward swing evidenced in the previous two years not only affected certain sectors in real terms but also led to a general negative outlook which indirectly led to further depressed market sentiment. Various factors lead to this unforeseen down turn. Part of the reasons for the slowdown are due to global factors like the Euro zone crisis, recession in Europe, sluggish growth rate in industrialized nations like USA, stagnation in Japan, political crisis in the Middle East and of course the rise in the international prices of crude oil which invariably has a major adverse effect on the Indian economy.

To add to the woe, the country was faced with a galloping rate of inflation which crossed the double digit mark. The year 2011-12 started with 9.7% inflation which touched double digits in September 2011 and thereafter declined to 6.6% in January 2012. The major factors contributing to such inflation was due to high prices of vegetables, eggs, meat and fish due to change in dietary pattern of rural households, increasing global commodity prices leading to higher cost of production and continuous high prices of crude oil. Since reigning in the unbridled inflation became the dominant objective, the Reserve Bank of

India hiked the Repo rate 13 times from March 2010 to January 2012 cumulatively by 375 basis points. Consequently, the year witnessed a sharp increase in interest rates that resulted in higher cost of borrowings. The resultant erosion in profit levels and the depletion of internal accruals resulted in lower investments and growth, especially in the manufacturing sector.

Industrial growth suffered a real set-back with production in eight core industries growing by merely 0.5% in January 2012 as compared to 6.4% in January 2011. The cumulative growth in 2011-12 is estimated to be 4% as compared to nearly 6% of the previous year. Though coal, fertilizers, cement and electricity showed some positive trend the other four sectors, viz. crude oil, natural gas, refinery products and steel registered a sharp decline.

The continuing uncertainties in the international foreign markets and the depressed global economic scenario also had its toll on the Indian economy. The sovereign risk concerns in the Euro area, especially with the overhang of Greece's sovereign debt, spread to India and other economies which had a volatile effect. Constraints in the International foreign markets is likely to adversely impact the availability and cost of foreign funding both for banks and companies in India who have been somewhat dependent on the offshore funding options. Indian Banks however, remained robust inspite of the spurt in the non-performing asset levels. During 2011-12 the Rupee depreciated by over 14% against the US\$, 13% against the Sterling Pound, 8% against the Euro and 15% against the Japanese Yen which had a cascading effect on the already high imported commodity prices.

The Indian markets also saw a large decline in the in-flow of funds from the Foreign Institutional Investors partly due to the concerns over the longer term impact of higher current account deficits and partly due to risk aversion to invest in volatile markets. The flight of capital by foreign investors was also influenced by the melt down in Europe. Near recessionary growth rates also added to this negative sentiment.

However, inspite of the difficult situation in the global economy, the country's exports continue

to be quite robust and in the current year it registered a growth of over 14% in real terms and nearly 23% as compared to the previous year. International Trade currently accounts for 53% of the GDP and therefore such sharp increase in exports is definitely a redeeming factor. The export markets witnessed such high growth during the year inspite of the deceleration in the core economies in the Euro area. The major factor for this is due to the diversification in India's export and import markets. The share of Asia and ASEAN countries in total trade increased from 33% in 2000-01 to over 57% in 2011-12 while that of Europe and America fell from 27% to 19%. This helped India substantially to weather the global crisis emanating from Europe and America. Since 2008-09, instead of USA, UAE has become India's largest trading partner followed by China. Further, agriculture and the service sectors performed well during the year and slowdown was mainly driven by weak industrial growth.

To counteract the flight of capital by foreign investors the Government has allowed Qualified Foreign Investors (QFIs) to directly invest in the equity markets which would not only widen the investor basis, but also attract more foreign funds to reduce market volatility and deepen the Indian Capital Markets.

A much awaited respite came at the beginning of the current financial year when the Reserve Bank of India reversed the Repo rate by 50 (fifty) basis points. Industry is hopeful that the Repo rate would be reduced further which would lead to increase in liquidity and give the much needed appetite for new investments to spur industrial growth.

After countering economic slowdown twice in quick succession within a span of four years, since the end of 2011-12 there seems to be a slow but steady turnaround in manufacturing sector and one looks forward to the near term future with cautious optimism. However, there are major areas of concern – the widening budgetary deficit, slowdown in the reforms programmes and the looming spectre of possible debt defaults by some of the weaker Eurozone countries.

#### **Industry Structure and Development**

The domestic Battery Industry suffered a definite set-back during the period under review. Apart from the automobiles, telecom, infra-structure and export sectors continued to be sluggish. Though

automobile sector had a higher growth towards the end of the financial year but it was quite modest compared to the rapid rate of growth achieved in 2010-11. Passenger vehicles segment grew by less than 5% as compared to a 29% growth in the previous year whilst commercial vehicles registered a growth of 18%. Passenger cars grew by only 2% whilst three-wheelers recorded a **de-growth** of around 3% as compared to a 26% growth in the previous year. Domestic sales of automobiles grew by 12%. Inflationary pressures, rise in the price of petrol and high cost of borrowings generally depressed the overall demand generation and were instrumental for the lower growth.

As per the current indications, the automobile industry is poised for challenging times with uncertainties on the demand side in coming months, which hopefully is only a short term phenomenon. We believe that the total automobile market is expected to grow by double digits annually for the next 5 years.

As stated in our earlier Directors' Report, India is emerging as a small car hub in the Asia Pacific region. This is now evident since all the major international automobile manufacturers have registered their presence in India and have started manufacturing small cars in this country. These companies are either setting up or expanding their existing manufacturing base not only to enter the domestic market but also for exports. India is gradually becoming a major manufacturing base for export of passenger cars as well as other utility vehicles and tractors. Availability of trained manpower at reasonable wage levels, recession in the industrialized nations, stagnation in Japan and China and a relatively large domestic market is making India a much more attractive destination. It is forecast that by 2020 India would be one of the top five automobile manufacturing countries in the world. These positive developments in the automobile sector would augur well for the domestic battery industry.

As for industrial battery segment, the recurring power shortages on the top of demand versus supply gap in Grid power, provides a robust demand for Home UPS batteries in the foreseeable future. Further, inspite of delays in commissioning or postponement of projects, infrastructure continues to be a major focus area of the Government. Modernization of Railways and setting-up of Nuclear Power Plants, though encountering initial teething problems, is

inevitable in the years to come. All these developments should definitely lead to high demand for the local battery industry.

### Performance

Your Company recorded net sales of ₹ 5107 crores in 2011-12 as compared to ₹ 4547 crores in the previous year. The Profit Before Exceptional Item and Tax stood at ₹ 645 crores in 2011-12 as compared to ₹ 893 crores in the previous year. In spite of the very difficult market situation, your Company was able to record a 12% growth in net sales but the profitability was affected severely. This was mainly due to the inability of the Company to pass on the increases in material costs to the customers due to the price sensitive market sentiments prevailing during the major part of the year mainly in the automotive sector. In the Industrial sector, the de-growth in almost all sections resulted in reduction in profitability. The hardening of prices of lead which is the major raw material, coupled with the high depreciation in the value of the Rupee affected the bottom line of your Company significantly. However, the gradual surge in demand along with the market responding favourably to the increase of availability of the automotive batteries in after sales market, in the last quarter of the year under review has been a welcome development. In the Industrial segment, the contracts for most of institutional sales have now been re-negotiated to link the sales price to the lead prices. These efforts, coupled with the softening of the lead prices towards the end of the year resulted in a recovery to a certain extent both in overall sales as well as profitability.

### Automotive Batteries

Sales for automotive batteries registered an overall value growth of 14% as compared to the previous year. In spite of a dismal performance by the automobile industry a volume growth of 4% was possible in supplies to OEM customers. Your Company was also able to regain a portion of the market share which it had partially lost during the previous year due to capacity constraints. In the OEM segment your Company's share is 72% for automotive batteries and 71% for Motorcycle Batteries.

Your Directors are pleased to reiterate that your Company continues to remain the preferred supplier for almost all the vehicle manufacturers in India and most of the new vehicles introduced during the year was fitted with your Company's batteries. This enviable position has been made possible due to the superior and consistent quality of your Company's products which are developed and upgraded through a strong in-house R&D

and also technical support from your Company's foreign collaborators. The products selected by the automobile manufacturers have to undergo rigorous tests not only in India but also in overseas laboratories and test houses. Apart from the traditional products, your Company has launched the Deep Cycling Electric Bike batteries for electrical bicycles and scooters, batteries for Idle Stop-Start and also commenced marketing of lithium-ion batteries for the electric vehicle segment.

By re-organising the marketing and distribution set up on the hubs and spokes model your Company has been able to reach out to customers in the 2-Tier and 3-Tier cities and also provide better after sales and warranty services. During the year 2011-12 the dealer/distribution network was increased to 16000 dealers. Your Company is presently operating from 204 locations and has plans to increase its presence in more than 250 cities within next 18 months. Through its unique initiative "Project Kissan", a large number of tractor owners mainly in the un-organised rural markets are now regular customers of your Company. The 'Humsafar' module, where batteries are sold through motor garages, service centres, retail outlets, petrol pumps, etc and direct sales arrangements with a number of Oil marketing Companies, have also resulted in 14000 outlets which ensures wide-spread distribution and easy availability of your Company's products for the end-users. The CRM initiative [exidereachout.com](http://exidereachout.com) is running successfully and has helped in building-up a substantial base of loyal customers. Currently there are around 3.5 million customers' database in the CRM programme. Your Company has further consolidated the operations at the two-wheeler battery plant in Ahmednagar, Maharashtra and has also invested around ₹ 200 crores in capacity expansion across all plants both for two-wheelers as well as other automotive batteries.

### Industrial Batteries

Industrial batteries registered a growth of around 12% in terms of value with a corresponding volume growth of 4%, as compared to the previous year. This was possible in spite of the de-growth for most of the period in the year under review in almost all sectors being catered to by your Company. The gravity of the situation was further compounded by severe competition both from domestic manufacturers as well as from imports. The infrastructure business recorded a de-growth of 13% which was mostly contributed by the Telecom and Project segment. However, the Power Segment and the solar business recorded a healthy growth. Sales for the fast

moving industrial battery segment recorded a growth of 11% whilst the UPS OEM segment grew by a healthy 38%.

New products have been developed and introduced for various applications including Gel Technology for solar, telecom and UPS markets with a five year warranty which compares well with those offered by other manufacturers. For the Home -UPS segment the first 'Intelligent' battery has been launched. This battery enables the user to be informed of the state-of-charge, discharge and other data relating to the status of the battery at any point of time which helps in proper usage and maintenance of the battery. New range of 'Battery Packs' for REVA's new generation NXR cars have also been introduced with superior features.

For synergistic benefits and strategic reasons your Company has forayed into the manufacture and marketing of inverters for home usage and for this purpose an existing inverter manufacturing unit at Roorkee, Uttarakhand, has been acquired in January 2012. The inverters manufactured by your Company are based on Sine Wave technology and are technologically superior to most of the inverters presently available in the domestic market. These inverters are being marketed under the Company's owned brands like 'EXIDE', 'SF' and 'CEIL' and have been well accepted by the customers.

#### **Submarine**

During the year under review the sales of submarine batteries amounted to ₹ 25 crores. Your Company is the sole supplier of submarine batteries to the Indian Navy and is also an accredited supplier to the Admiralty Ship Yard, Russia. An order for supply of 5 nos. of batteries to the Indian Navy has been received towards the end of the year under review.

#### **Exports**

In spite of near recessionary conditions in Europe, export of industrial batteries at ₹ 151 crores grew by 8%. This includes export of industrial batteries to your Company's wholly owned subsidiary, Chloride Batteries S.E. Asia Pte. Limited, based at Singapore. The industrial batteries exported to various countries like Japan and other European nations have been highly acclaimed by a number of customers. Export of automotive batteries at ₹ 28 crores, however, showed a minor de-growth.

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

#### **Technology Up-gradation**

In order to maintain its leadership position your Company is continuously upgrading its technology and also acquiring new technology to meet the increasing demands of the customers. Apart from in-house R&D activities and partnering with various research / educational institutions your Company also acquires new technology and upgrades its existing technology through technical collaboration agreements with leading international battery manufacturing companies.

Your Board is pleased to inform you that your Company entered into technical collaboration and assistance agreements with East Penn Manufacturing Company Inc., USA a leading US manufacturer of high quality lead-acid battery and accessory products. Under these arrangements, East Penn will provide technical assistance and support for the manufacture of automotive, motive power, standby, telecom, UPS, solar and traction batteries for your Company's various plants in India. This technical assistance will include a wide range of activities including the enhancement of processes for manufacturing, designs, quality control and procurement. East Penn has also agreed to provide technical assistance and support to the two captive smelters of your Company located near Pune and Bangalore. East Penn will assist in the implementation of measures to continuously improve on the various local environment and health parameters as well as global standards.

Apart from the above, your Company has on-going agreements with Furukawa Battery Company Limited, Japan for Lead-Acid Storage Batteries including Hybrid Batteries and Maintenance-Free Batteries for 4-wheelers and for Idle Stop-Start (ISS) Automotive batteries. Your Company also has agreements with Shin-Kobe Electric Machinery Co. Limited, Japan (a part of the HITACHI Group) for a variety of lead-acid batteries and components used for starting, lighting and ignition of automobile and VRLA batteries for industrial applications.

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

Apart from the above, foreign experts are regularly engaged from time to time for advising on operational processes and best manufacturing practices. The Company's engineers also undergo



frequent training and knowledge sharing both at the foreign collaborators facilities as well as by extensively attending international seminars and conferences.

## Financial Results

	In ₹ Crores	
	2011-2012	2010-2011
Profit before depreciation, exceptional Item & tax expenses	745.85	976.69
Depreciation and amortisation expenses	100.68	83.46
Exceptional Item	–	46.93
Profit before tax	645.17	940.16
Tax expenses	184.00	273.80
Profit after tax	461.17	666.36
Balance brought forward	967.37	516.44
Making a total of	1428.54	1182.80
Out of this appropriations are:		
General Reserves	50.00	75.00
Contingency Reserve	25.00	–
Leaving a balance of	1353.54	1107.80
Interim Dividend (90%)	76.50	76.50
Tax on Interim Dividend	9.25	12.58
Proposed Final Dividend (60%) (Previous Year - 60%)	51.00	51.00
Tax on Final Dividend [Aggregate Dividend amounts to 150% (Previous year - 150)]	8.03	0.35
And leaving a balance of (which is carried forward to next year)	1208.76	967.37

## Consolidated Financial Statements

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

## Dividend

Your Company has paid an interim dividend at the rate of 90% (₹ 0.90 per equity share of ₹ 1 each) on the equity shares to the shareholders, whose names appeared on the Register of Members on 3rd November, 2011. Your Directors are now pleased to recommend a final dividend at the rate of 60% (₹ 0.60 per equity share of ₹ 1 each) for the year ended 31st March, 2012, subject to your approval at the ensuing Annual General Meeting. Consequently, the total dividend for the year ended 31st March, 2012, including the interim dividend paid during the year, amounts to 150% (₹ 1.50 per equity share of ₹ 1 each).

## Corporate Governance

As has been mentioned in the earlier Directors' Reports, transparency is the cornerstone of your

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

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

## Business Operational Excellence

To move towards your Company's vision of providing credible value addition to stakeholders and being recognized as a responsible Corporate Citizen, an elaborate Total Quality Management (TQM) system has been set up. Having gathered momentum, it has been improved and upgraded to meet the strategic challenges of the business. Apart from the international quality, environment, occupational health & safety standards, your Company has been methodically implementing the latest techniques of Total Productive Maintenance (TPM), Lean Manufacturing and 6-Sigma aimed towards achieving Business Excellence.

Your Company's factories, having modern machinery and equipments, manufacture and deliver products of high quality that meet the demanding requirements of a wide range of customers. Quality is built into the products right from the conceptual design stage by using sophisticated techniques like Advanced Product Quality Planning (APQP), Failure Mode & Effect Analysis (FMEA), Statistical Process Control (SPC) and Measurement System Analysis (MSA). To ensure adherence to specifications, continuous monitoring of Process Capability index is done with on-line mistake-proofing (Poka-Yoke) devices, resulting in minimal scrap and rework.

TQM being a strategic initiative, it is only natural that your Company has crossed several milestones in its unending journey towards

Business Excellence that has been widely applauded and recognized.

With respect to the Quality Management System (QMS), the Industrial SBU is certified to ISO 9001:2008, while the Automotive SBU is certified to ISO/ TS-16949:2009 latest international standards. These certifications include all the business processes of R&D, Manufacturing, Marketing, Sales, After-Sales Support and Corporate functions. The Submarine SBU is also certified to ISO-9001:2008. Your Company's certification body is the renowned TUV-Nord head- quartered in Germany.

Suppliers are our partners in progress. In order to fulfill our responsibility towards meeting common objectives and continuous improvement, the TQM initiatives employed in your Company have been extended to cover key suppliers also. An effective system of quality control, periodic audits, "Vendor Rating" and training has been established and strengthened. Some of the key suppliers have achieved IS/ TS-16949:2009 certification. Striving for Excellence, being one of the Core Values, your Company has been progressively implementing the European Foundation for Quality Management (EFQM) Excellence Model and have won coveted awards for its efforts.

In the last few years your Company has won several awards and accolades in Quality, Safety-Health-Environment, 5-S, Energy Conservation, Productivity and Quality Circles. In 2009, the Hosur Plant won the prestigious Asia Manufacturing Excellence Award – Gold Category in Auto Ancillary from Frost & Sullivan as well as the ABK-AOTS 5S-Award 1st prize in large Manufacturing category. In the recent past, the Haldia and Shamnagar Plants have won TQM Role Model Quality Award from CII (ER). Your Company has also won awards and recognitions from its valued customers like Toyota, Tata Motors and Bajaj Auto. The Quality Circle teams, run by workmen have been regularly winning awards and accolades in the State and National levels from Quality Circle Forum of India and the CII.

As improving the efficiency and maximizing the utilization of plant and equipment is an important objective of your Company, Total Productive Maintenance (TPM) has been implemented in the factories. The best methodology as given by the Japanese Institute of Plant Maintenance (JIPM) is being followed.

For its sustained efforts and commendable results in TPM the JIPM has, through a system of rigorous audits, conferred the "Award for TPM Excellence" to Haldia plant for 2008, to Hosur and Chinchwad plants for 2010 and to Taloja plant in 2011. Efforts to reach still higher levels are ongoing.

To give more thrust to our R&D efforts, training and quality management systems have been intensified. A pool of internal quality auditors as per the requirements of ISO 19011:2011 have been created through a process of workshops, case studies and examinations.

### **Environment and Safety**

In support of the core value of being a responsible Corporate Citizen, an effective Environmental Management System (EMS) has been established in your Company. The Shamnagar, Haldia, Hosur, Taloja and Chinchwad plants had been certified several years back to ISO-14001:2004. In February 2012, the Bawal plant has been certified to ISO-14001:2004. Surveillance Audits by TUV-Nord has confirmed that your Company not only continues to meet all the statutory and regulatory environmental norms but has also improved its environmental performance through the years.

Minimisation of waste and preservation of natural resources is part of your Company's policy. In this direction, the processes are designed and operated optimally. Every year, various improvement projects are undertaken to reduce any adverse environmental impacts. The efforts have been recognized and rewarded. Your Company had received the prestigious TERI Corporate Environment Award in 2007 and Best Innovation Award for Leadership and Excellence in Environment-Health-Safety from CII (Southern Region) in 2008.

Safety and Occupational Health of employees are continuous focus areas of your Company. This commitment is shown in the implementation of the OHSAS 18001:2007 standard in the factories. The Hosur plant is a ZERO effluent discharge plant and other factories are expected to be similarly upgraded in the near future.

As part of your Company's Corporate Social Responsibility and efforts towards cost reduction, energy conservation continues to be a focus area. Several initiatives have been taken in this direction at all plants for energy conservation, recovery and recycling of water in line with our policy of conservation of natural resources.

## Corporate Social Responsibility

### Overview of CSR Activities Carried Out During 2011-12

Exide's commitment to corporate social responsibility has a two pronged approach - marketing centric and production centric. Whilst on the one hand your Company tries to involve its customers in its efforts to create a better world for the weaker sections of the society, on the other hand it also ensures that the production facilities and other important offices from where it operates also contribute meaningfully to the overall upliftment of the society.

### Marketing Centric CSR

For the last three years your Company has been actively involved with UNICEF in creating better health and hygiene for economically disadvantaged children in rural India. However, instead of making a straight forward cash donation to the global organisation your Company linked its financial commitment to the project to the support it gets from its customers for battery recycling. The customer feels encouraged to get his old battery recycled through an environmentally desirable activity - and at the same time help in a socially important cause.

The pre-committed money that UNICEF gets through this unique scheme is used for bringing clean water to villages in parts of India, making affordable toilets and create "Nirmal Villages" (where all the houses in a particular village has its own toilet) and educating rural children on health and hygiene issues. The programme is being actively implemented through reputed NGOs like Ramkrishna Mission, regional government bodies and local gram panchayats.

### Production Centric CSR

The factories of your Company across the country are important centres of economic activity in the regions that they are located in. The local community, particularly the weaker sections look up to the factory management for various social and economic supports. Your Company discharges this obligation to the immediate surrounding society sensitively and on a need based manner. While routine planting of saplings in and around the plants is now an institutionalised activity within all the factories, other activities like running health camps, round the year ambulances, helping local women in skill development or upgrading infrastructure of local schools and health units is done on a case by case basis by each manufacturing unit. During

natural disasters your Company runs relief camps in the affected areas which are mainly manned by your Company's employees.

Your Company also runs a programme through a reputed NGO CINI-Asha that directly benefits children in a slum in eastern Kolkata. These pre-nursery children would otherwise be mostly left to themselves in those difficult surroundings while their parents go out in search of work during a better part of the day. But through your Company's support these children are now taken care of during the day and taught basic skills so that they are fit to go to school when they are of the right age.

### Internal Controls

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

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

### Outlook

With inflation showing a declining trend and with expected further reduction in the interest rates there should be an overall buoyancy and, as far as the battery industry is concerned, the future growth prospects should be positive. The high growth rates achieved by the Automotive Industry in March 2012 are expected to continue, at least with some moderations. As stated earlier, the automotive industry is estimated on an average to have a double digit growth annually for the next five years. Several infrastructure sectors like power, coal, etc., are on an upward swing and with the massive investments on infrastructure planned by the Government, including modernization of railways and commissioning of nuclear power plants, etc., the Industrial battery business should also continue to have better prospects. The burgeoning middle class with higher disposable incomes and an appetite for aspirational life styles would lead to

higher demand, where technologically superior products would be more sought after than cheaper alternatives. Due to strict pollution control norms being introduced with each passing month, the incremental battery demand will gravitate towards the players in the organized sector. Though Europe is exhibiting signs of a recession, the economy in the USA appears to be on the mend and this would ultimately lead to a positive overall sentiment in particular in emerging capital markets and also in the various sectors of Indian economy.

#### **Opportunities and Threats**

Technology and after sales service are major strengths of your Company. Your Company continues to invest in acquiring new technology both for products as well as processes. Your Company has also invested heavily both in capacity expansion as well as up-gradation of its manufacturing facilities. With a strong in-house R&D and active support from the Technical Collaborators, who are international leaders in their field, your Company would always be in a position to introduce technologically superior products with sustainable quality. Through various marketing initiatives and increasing the distribution network your Company would also be able to expand its reach especially in the vastly untapped semi-urban and rural markets. Amongst the new generation products, your Company has already made a foray into areas like electric and hybrid batteries and development of environmental friendly storage power alternatives.

Due to the buoyant automobile industry in India, new players are entering the battery business. Though competition is always beneficial for both the customer as well as the seller but at times it may lead to unfair trade practices and predatory pricing which may create severe pressure on margins.

#### **Risks and Concerns**

Lead is the major constituent of your Company's products and its volatile prices are always a cause of concern. Such volatility has a serious impact on the cost of the products and also leads to uncertainties in procurement. In addition rupee depreciation vis-à-vis US Dollar is also a risk and challenge for your Company. Your Company however, constantly monitors the situation and through prudent business practices this risk is sought to be mitigated. With the view to reduce dependence on imported lead your Company had acquired two smelting units, which are wholly owned subsidiaries of your Company. These Companies can to some extent mitigate the risks outlined above.

Further, due to recession or stagnation in the industrialized nations the Indian market is being flooded with cheap imports especially from neighbouring low cost economies. As mentioned in our earlier Report the anti-dumping laws of our country do not have enough teeth to stop these unfair practices. However, due to the better quality and an enhanced focus on after sales service offered by your Company, the majority of the customers continue to repose their faith in your Company's products.

#### **Subsidiaries**

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

Chloride Metals Limited which is a 100% subsidiary of your Company is engaged in lead smelting and refining operations and has its Plant at Markal, Pune. The said Company achieved a net sale of ₹440.03 crores which was 15% higher than the previous year and a profit before tax of ₹12.74 crores which was 35% lower than the previous year.

Chloride Power Systems & Solutions Limited (formerly known as Caldine Automatics Limited) is a 100% subsidiary of your Company having its factory at Sector V, Salt Lake City, Kolkata and is engaged in manufacture and sale of Chargers, DC Power Systems and associated equipment. During the year 2011-12, the said company achieved a turnover of ₹72.77 crores and a profit before tax of ₹4.77crores representing an increase of 64% and 105% respectively over the previous year.

Chloride Alloys India Limited (formerly known as Leadage Alloys India Limited), a 100% subsidiary of your Company, has its Plant at Kolar District, Karnataka and is engaged in lead smelting and refining activities. During the year 2011-12 the said company has achieved a turnover of ₹850.13 crores representing an increase of over 14% and profit before tax of ₹12.36 crores as compared to ₹32.57 crores in the previous year.

Chloride International Limited a 100% subsidiary of your Company was engaged in the marketing and sale of Non-conventional Energy Systems like Solar Home Lighting and Heating System Panels, and Home UPS / Inverters etc. However, following a reorganization of business activities since 1st May, 2011 these businesses are



being handled by Chloride Power Systems & Solutions Limited. The net sales of Chloride International Limited during 2011-12 amounted to ₹ 3.12 crores with a Profit Before Tax of ₹ 0.11 crores.

Your Company also holds 100% of the share capital in Chloride Batteries S E Asia Pte. Ltd., Singapore. The said company is engaged in manufacture and sale of lead acid batteries and caters to the South East Asian and Australian markets. During the year 2011-12 the said company achieved a turnover of SGD 34.81 million and Profit before Tax of SGD 1.46 million representing a growth of 14% and 11% respectively over the previous year.

Espex Batteries Limited, UK, in which your Company holds 51% of the share capital, is engaged in marketing and selling of lead acid batteries for industrial applications. During the year 2011-12 the said company achieved a turnover of GBP 5.72 million and made a Profit Before Tax of GBP 284,559.

Your Company also holds 61.5% in Associated Battery Manufacturers (Ceylon) Limited, Sri Lanka. The said company is engaged in the business of manufacturing and marketing of Lead Acid batteries. During the year 2011-12 the said company achieved a turnover of SLR 1852 million and Profit Before Tax of SLR 190.5 million.

The statement of Holding Company's interest in Subsidiaries as specified in sub section (3) of section 212 of the Companies Act, 1956 is attached to the Report and Accounts of your Company. The Profit and Loss Accounts, Balance Sheet, Auditors Report and Directors Report of the Subsidiaries are not attached to the Annual Accounts of your Company pursuant to general exemption granted vide General Circular no. 2/2011 dated 8.2.2011 issued by the Government of India, Ministry of Corporate Affairs. However, the necessary details about the Subsidiaries are given in the Consolidated Financial Statements attached to the Annual Accounts. Further, any shareholder of the Company or the Subsidiary Companies may obtain copies of these documents by writing to the Company Secretary at the Registered Office of your Company. Copies of the Annual Accounts of the Subsidiaries would also be available for inspection by any shareholder at the Registered Office of your Company and the offices of the Subsidiary Companies on any working day.

#### **Human Resources**

Nurturing and development of Human Capital is of key importance and the HR policies and procedures of your Company are geared towards this objective. The processes for attracting,

retaining and rewarding talent are well laid down and the systems are transparent to identify and reward performers. Several initiatives are taken both at the corporate level as also in the shop floor to inculcate team work and camaraderie. Skill Gap Analysis is carried out on regular basis and necessary training interventions are made based on the results. Succession Planning and Talent Management, continues to receive priority.

Industrial relation at all factories continued to remain cordial.

As on the date of this Report your Company has 4532 employees on its payroll.

#### **Directors**

Mr Bhasker Mitter, Mr Vijay Aggarwal and Mr R G Kapadia, Directors retire by rotation and being eligible offer themselves for re-appointment at the ensuing Annual General Meeting. Mr H M Kothari, Director also retires by rotation at the ensuing Annual General Meeting but due to personal reasons does not wish to offer himself for re-appointment. Your Board wishes to place on record its deep appreciation for the services rendered by Mr H M Kothari during his long association with the Company.

The term of Mr T V Ramanathan, Managing Director and Chief Executive Officer, is due to expire on the close of business hours of 30th April, 2012. The Board of Directors at its meeting held on 30th April, 2012 re-appointed Mr T V Ramanathan as the Managing Director and Chief Executive Officer for a further period of one year with effect from 1st May, 2012, subject to the approval of the shareholders. A resolution proposing the re-appointment of Mr T V Ramanathan as the Managing Director and Chief Executive Officer with effect from 1st May, 2012 will be placed before the shareholders for approval at the ensuing Annual General Meeting.

Necessary information pursuant to Clause 49 of the Listing Agreement in respect of the Directors proposed to be reappointed at the ensuing Annual General Meeting are given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on 17th July, 2012.

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

#### **Auditors**

Messrs S R Batliboi & Co., Chartered Accountants, the Auditors retire at the conclusion of the ensuing

Annual General Meeting and have expressed their unwillingness to be reappointed for a further term. A Notice has been received from a shareholder pursuant to Section 225, read with Section 190, of the Companies Act, 1956 proposing a resolution for approval of the shareholders at the ensuing Annual General Meeting for appointment of Messrs S R B C & Co., Chartered Accountants, a network firm of Messrs S R Batliboi & Co., as the Auditors of the Company. The subject Resolution is appearing as item no. 6 of the Notice convening the Annual General Meeting which forms part of this Annual Report. Messrs S R B C & Co. have also given their consent to act as Auditors, if appointed, and confirmed that the appointment, if made, would be in compliance of Section 224 (1B) of the Companies Act, 1956.

#### **Information pursuant to Section 217 of the Companies Act, 1956**

##### **a. Conservation of Energy and Technology Absorption**

Information pursuant to Clause (e) of Sub-Section (1) of Section 217 of the Companies Act, 1956 read with Companies [Disclosure of Particulars in the Report of Board of Directors] Rules, 1988 and forming part of the Directors' Report for the financial year ended 31st March, 2012, are attached hereto.

##### **b. Particulars of Employees**

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

##### **c. Responsibility Statement**

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

#### **Directors' Responsibility Statement**

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

- (i) That in the preparation of the annual accounts, the applicable accounting standards

have been followed along with proper explanation relating to material departures, if any.

- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) That the Directors have prepared the annual accounts on a going concern basis.

#### **Forward-Looking Statements**

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

#### **Acknowledgement**

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

On behalf of the  
Board of Directors

Place: Mumbai  
Date: 30th April, 2012

R G Kapadia  
Chairman

## ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012.

### I. Conservation of Energy

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

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

The specific initiatives taken during the financial year 2011-2012 are as follows:-

#### Chinchwad Plant

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

#### Bawal Plant

- Use of energy efficient T-5 lighting system resulting in saving of 81047 KWH (₹5.26 lacs) per annum.
- Modification in Charger panel in Plate Formation resulting in power saving of 48256 KWH (₹3.14 lacs) per annum.
- Saving in Diesel through installation of APFC (Auto Power Factor Control) Panel in DG Sets resulting in saving of 42448 Ltr (₹15.28 lacs) per annum.
- Modification in APFC Panel to achieve constant power factor at 0.99 resulting in cost saving in terms of Power Factor Rebate of ₹35.2 lacs.
- Reduction in specific power consumption in compressor by optimization of compressed air system resulting in power saving of 204399 KWH (₹13.28 lacs) per annum.
- Automation in caustic dosing in Effluent Treatment Plant resulting in reduction in caustic consumption as 14.75 MT (₹45.75 lacs) per annum.
- Reuse of ARS water in Acid Dilution for Jar Formation resulting in saving of Specific DM water consumption of 3618KL (₹1.1 lacs) per annum.
- Reduction in specific consumption of Propane by 40726 Kgs (₹23.21 lacs) per annum.
- Reduction in Specific consumption of RO water by 20632 KL (₹5.36 lacs) per annum.
- Modification of heater in Curing Cubical resulting in power saving of 4293 KWH (₹4.36 lacs) per annum.

#### Hosur Plant

- Weekly timer connected in VRLA Assembly Bag filters VFD resulting in energy savings of 58000 KWH (₹3.48 lacs) per annum.
- Weekly timer connected in VRLA casting blower VFD resulting in energy savings of 14000 KWH (₹0.84 lac) per annum.
- VRLA expander line scrap conveyors (2 nos.) wired/connected and wiring modified to operate automatically along with machine operation resulting in energy savings of 6000 KWH (₹0.36 lac) per annum.
- VRLA casting fresh air blower (2 nos.) connected with a weekly timer to switch off the blower during break and unproductive timings resulting in energy savings of 19500 KWH (₹1.17 lacs) per annum.
- 4 nos. of control panel in VRLA casting, to operate the scrap installed conveyors automatically along with the machine operation resulting in energy savings of 14400 KWH (₹0.86 lac) per annum.

6. Vacuum generators connected in the place of 2 nos. 1.1 KW blowers, with necessary solenoid valves, modification in wiring etc., resulting in energy savings of 15000 KWH (₹ 1.00 lac) per annum.
7. Auto assembly line 3 nos. of conveyors automated to run only when the adjacent machine is running resulting in energy savings of 1500 KWH (₹0.09 lac) per annum.
8. Cooling system modified from Air washer method to Turbo cool at auto JF charger room resulting in energy savings of 20388 KWH (₹1.22 lacs) per annum.
9. Energy efficient drying oven introduced resulting in savings of 79200 KWH (₹ 4.75 lacs) per annum.
10. Automation of 3 nos. of pasting machine acid wash conveyor and exit conveyors resulting in energy savings of 5900 KWH (₹0.35 lac) per annum.
11. Average deemed demand benefit of 978 KVA/month from TNEB for the year 2011-12 through 3rd party power purchase amounting to ₹35.22 lacs.
12. Water recycled in plate processing resulting in energy savings of 1200 KL/month (₹2.40 lacs).
13. Water / Acid recycled in tank formation resulting in energy savings of 1150 KL/month (₹2.30 lacs) per month.

#### **Taloja Plant**

1. Reduction of KWH from 874 to 771 per ton of lead by optimization of motors/increasing output of oxide generation/reduction in heating losses, use of 'Z' conveyor in Casting.
2. Reduction in LPG consumption from 30 kg/tons of lead to 29 kg/ton of lead by controlling the main line pressure, use of energy efficient LPG burners in Pasting Ovens.
3. Extension of common steam generator for all the e-bike Curing Chambers resulted in saving of LPG cost by ₹5 lacs per annum.
4. Use of Star Delta Convertor to conserve energy in blowers resulted in saving of ₹8.00 lacs.
5. Automatic switching of Fresh Air Blower during shift change resulted in saving of ₹4.00 lacs.
6. Replacing tube lights by CFL Bulbs at New Mezzanine floor, new Stores Building, Expander line.
7. Reduction of Fixed energy consumption by 5% by using solar street light, energy efficient lights in Stores Building.
8. Maintaining Power Factor as unity throughout the year resulted in saving of ₹32 lacs.
9. Switching -Off the JF / Formation rectifiers to avoid energy loss due to no load losses in the transformers, resulted in savings of ₹5.00 lacs.
10. 100 % use of recycled water for gardening and floor washing.
11. Reduction in charging cycle time by pulse charging at JF to avoid no load losses resulting in ₹10 lacs savings.
12. Day light improvement by use of transparent sheet in JF, Pasting, Casting Curing and E Bike area.
13. Increase in the number of turbine ventilators to improve ventilation and work environment.
14. Cycle time reduction in curing and drying process resulting in savings of ₹ 5 lacs per annum.
15. Optimization of use of DG sets by proper load sharing resulted in saving of ₹9 lacs per annum.

#### **Shamnagar Plant**

1. Installation of energy efficient (T5) tube lights resulting in energy savings of 0.51 lac KWH (₹2.97 lacs) per annum.
2. Installation of energy efficient Medium Bay lights resulting in energy savings of 0.69 lac KWH (₹ 4.01 lacs) per annum.
3. Installation of LDR to Automatic Switch On/Off for High – Bay and outdoor lights resulting in energy savings of 0.70 lac KWH (₹ 4.07 lacs) per annum.
4. Installation of additional 400 KVAR capacitor Banks with de-tuned Harmonic filter to improve power factor from 0.95 to 0.99 by addition of about 300 KW staggered DC load resulting in energy savings of ₹ 21.12 lacs per year.
5. Interlocking of high capacity dust extraction blowers with respective machine to stop idle running resulting in energy savings of 3.96 Lacs KWH (₹ 23.05 lacs) per annum.
6. Reduction of energy load in day time by fitting 50 nos. transparent sheet on roof resulting in energy savings of 0.22 KWH (₹ 1.28 lacs) per annum.
7. Installation of 2 nos. 150 TR capacity fan less cooling tower at Industrial positive & negative casting resulting in energy savings of 0.59 lac KWH (₹ 3.43 lacs).
8. Installation of 3 nos. VFD for high capacity blowers resulting in energy savings of 2.18 lac KWH (₹ 12.69 lacs) per annum.



9. Installation of VFD for wet scrubber resulting in energy savings of 251424 KWH (₹ 14.63 lacs) per annum.
10. Installation of 1 no. screw compressor in place of old reciprocating air compressor resulting in savings of 1.34 lac KWH/year (₹ 7.80 lacs) per annum.
11. Installation of 1 no. energy efficient air compressor fitted with VFD resulting in energy savings of 0.40 lac KWH (₹ 2.33 lacs) per annum.
12. Segregation of low and high pressure compressed air line with optimum control of air requirement through PLC software resulting in energy savings of 2.47 lac KWH (₹ 14.38 lacs) per annum.
13. Installation of 60 nos. natural draught roof extractor & roof insulation to keep the ambience cool resulting in energy savings of 1.19 lac KWH (₹ 6.93 lacs) per annum.
14. Re-insulation of chilled water line resulting in energy savings of 1.78 KWH (₹ 10.37 lacs) per annum.
15. Re-insulation of 4 nos. 24 KW each lead Melting pots resulting in energy savings of 0.59 KWH (₹ 3.46 lacs) per annum.
16. Installation of LPG pressure Regulator at Grid Casting Area resulting in LPG savings of 6.6 MT per year (₹ 3.30 lacs).
17. Installation of new 150 KG per hour improved vaporizer resulting in LPG savings of 33 MT per year (₹ 16.50 lacs).
18. Re-insulation of steam line and reduction of boiler burner nozzle size as steam requirement reduced resulting in LPG savings of 357 KL/year (₹ 125.13 lacs).
19. Installation of 2 nos. 150 TR capacity cooling towers at INDL factory for water recirculation resulting in ground water savings of 66000 KL per year and electricity savings of 0.29 lacs KWH/year (₹ 1.69 lacs).

### **Haldia Plant:**

1. Maintained Power factor of the plant at around 0.99 by installation of additional 1 no. 1000 KVAR & 3 nos. 100 KVAR APFC panels with capacitor banks and harmonic filters resulting in savings of ₹ 79 lacs.
2. Maintained load factor of the plant at around 77% resulting in annual savings of ₹ 148 lacs.
3. Introduction of compressed air management system for optimum use of Air Compressors at plant resulting in annual savings of ₹ 1.23 lacs.
4. Use of one Cooling Tower in place of two cooling towers for Casting machines resulting in savings of ₹ 3.6 lacs.
5. Installation of SCR controlled heating systems at Lead pots of Casting & Auto spine machines resulting in annual savings of ₹ 8.2 lacs.
6. Introduction of LED lights in place of Mercury vapour lamps for street lighting inside plant resulting in annual savings of ₹ 0.25 lacs.
7. Installation of timers for automatic switching ON/OFF of street lights inside plant resulting in Annual savings of ₹ 0.30 lacs.
8. Installation of LDRs at different locations for automatic switching ON/OFF of shop floor lights during daytime resulting in annual savings of ₹ 12 lacs.
9. Installation of T5 Energy saver fluorescent lamps in place of conventional lamps at different locations in the plant resulting in annual savings of ₹ 3.2 lacs.
10. Introduction of sky pipe lights for natural lighting inside shop floor during day time resulting in annual savings of ₹ 0.22 lacs.
11. Installation of variable frequency drive at 160 HP Exhaust blower motor to reduce energy consumption resulting in annual savings of ₹ 12.5 lacs.
12. Electrical interlocking of all fresh air & exhaust blower motors in the plant with production machines to stop idle running of blowers during non-productive hours resulting in annual savings of ₹ 11.5 lacs.

### **Ahmednagar Plant:**

1. Maintained power factor unity throughout the year.
2. Maximum utilization of Machines during night shifts to get the benefit of TOD in Electrical Energy bill.
3. Installed energy efficient light fitting in shop floor, offices and other areas.
4. Used Cyclic Timer for automatic switching on/off of street lights.
5. Switching off electricity supply to machines and lighting systems during idle hours.
6. Used Thyristorised Control Heating Panel instead of conventional control panel in order to save electrical energy.
7. Arrested air leakages in main air pipe line & machines to reduce running time of air compressor.

8. Provided PID Controller in Control panel of all Cooling towers to auto switch on water cooling fan & water circulation pump.
9. Installed Level switch for Water & Acid level control to avoid continuous running of Water/Acid pump.
10. Installed VFD for Pasting Blower to reduce power consumption.

#### **Roorkee Plant**

1. Reduction in compressed air consumption by arresting air leakage.
2. Segregating the mains supply to reduce electrical consumption.
3. Incorporating AFC panel to improve power factor.
4. Creating awareness among workmen to conserve energy.
5. Optimum use of energy by switching off machines, lights, fans, air-conditioners and exhaust system whenever not required.

## **II. Particulars as per Form B**

### **A1. Research & Development (R&D)**

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

Research & Development activities are mainly focused on development of new and cost effective products to meet the diverse requirements of the large number of applications in both automotive and industrial segments. Specific attention is given towards development of new materials, new or improved manufacturing processes and technologies which would lead to new application-specific products. The R&D Division additionally plays a role in monitoring product quality manufactured by the factories and suggests means of improving manufacturing consistency.

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

New products or product ranges are regularly introduced as part of technology advancement and as per specific market requirements. In the industrial battery segment Intelligent Home UPS battery - "Intellisense", and diverse ranges of the newly developed 'Tubular Gel' technology products for different applications have been recently introduced. A strong focus on the product cost through value engineering has helped the company in managing the finances well.

New products developed in the automotive segment include 55D23LMF Battery for Ace Dicor 0.75T of TML, MF70Z / MHD1000 / MHD1350 / MHD1800 for TML Y1 Project, 50D 26 for TML Penguin, 46B24RMF & 55B24RMF for GMI, ISS115D31R(MF) for M&M, Extension of mega range to 88/ 100 Ah size for trade market, 45D21L-BH & 40B20L-BH in MAX/ Sonic Jet range, CP/BP 130 and 180 .

Significant achievements in the recent past would include introduction of expanded negative plate in inverter range which will give substantial cost benefit. In addition to above, further development of the Idling Stop Start battery is under way.

### **A3. Future Action Plan**

The Research & Development Division shall continue to concentrate on development of new technologies, new products and new processes in order to produce world class quality products in a cost effective manner. In view of the emerging needs for advanced lead-acid batteries for varied applications, the focus on technology and innovation would continue.

### **A4. Expenditure on R&D**

The capital and revenue expenditure on R&D were ₹ 0.94 crore and ₹ 11.11 crores respectively aggregating to ₹ 12.05 crores.

Total R&D expenditure as percentage of Net Turnover: 0.24%

### **B1. Technology Absorption, Adaptation and Innovation**

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

### **B2. Benefits**

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

**B3. Particulars of Imported Technology in the last 5 years**

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

**III. Foreign Exchange – Earnings and Outgoings**

- Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans;

Your Company continued with its initiatives for developing the export market for both Industrial, Automotive & Motor Cycle batteries. During the year, successful inroads were made into Columbia & Paraguay in South America and Nigeria and Liberia in Africa. Chloride brand automotive batteries were supplied to Iran, Kuwait and Bahrain. The first consignment of Solar PV Modules was shipped in the year to Afghanistan.

In the Industrial Battery segment, your Company has entered into African markets with Inverters and Inverter batteries. Successful inroads were made in South East Asia with AGM VRLA batteries competing with Chinese manufacturers. Exide and Chloride brand Industrial batteries were supplied to Bangladesh, Bahrain, Sri Lanka, Kuwait, Iran and UAE. The first successful order was received from USA for Standby batteries. In Industrial segment, exports grew by 8% in volume and 30% in value.

- Total Foreign Exchange used and earned:

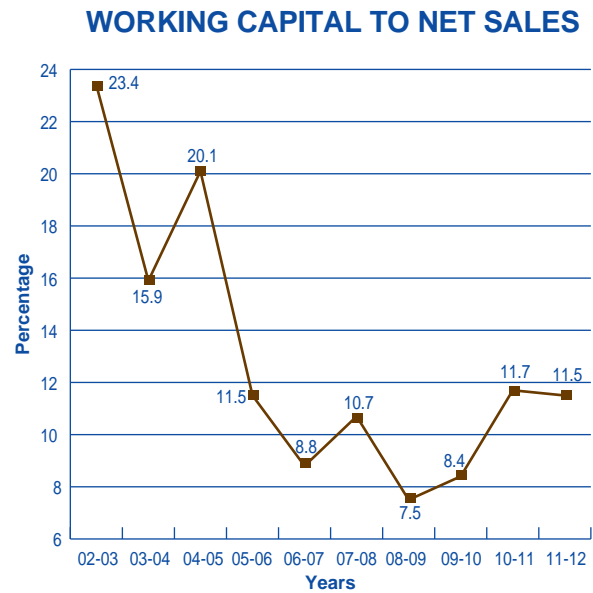
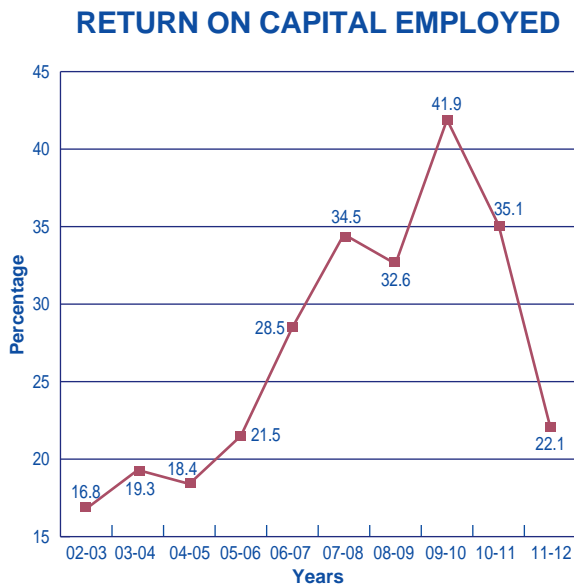
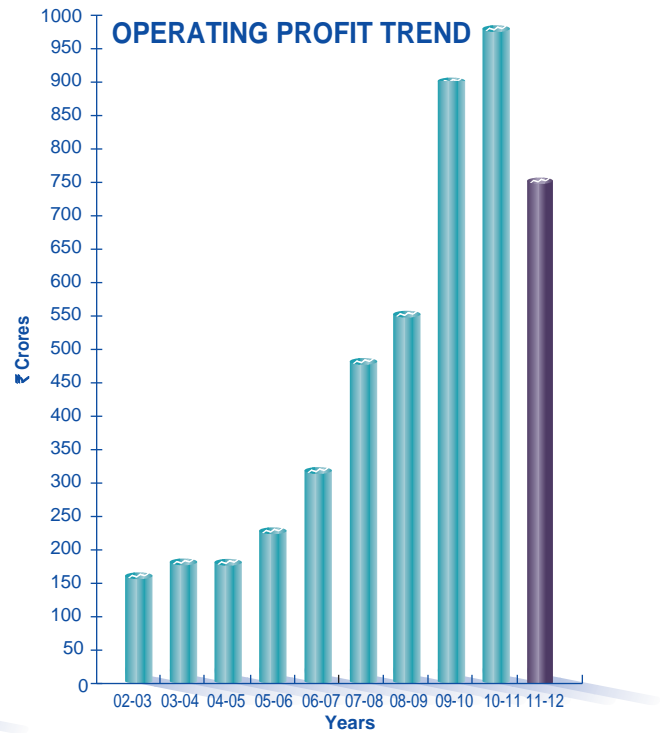
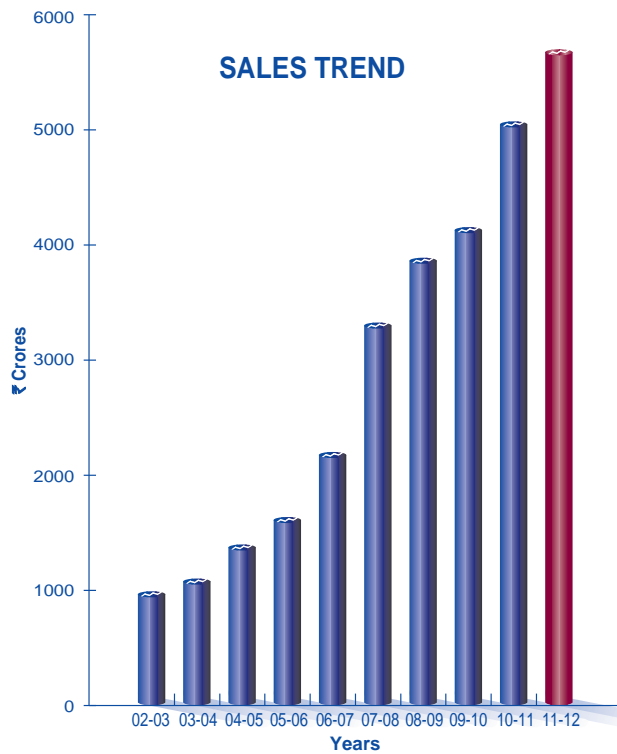
Used : ₹ 843.99 crores  
 Earned : ₹ 193.51 crores

On behalf of the  
 Board of Directors  
 R G Kapadia  
 Chairman

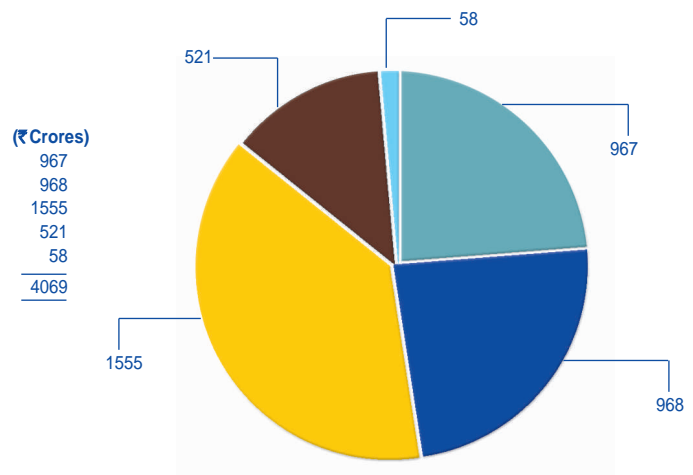
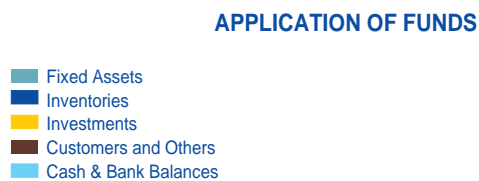
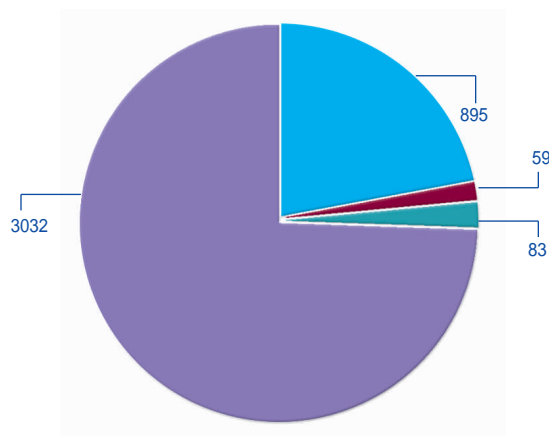
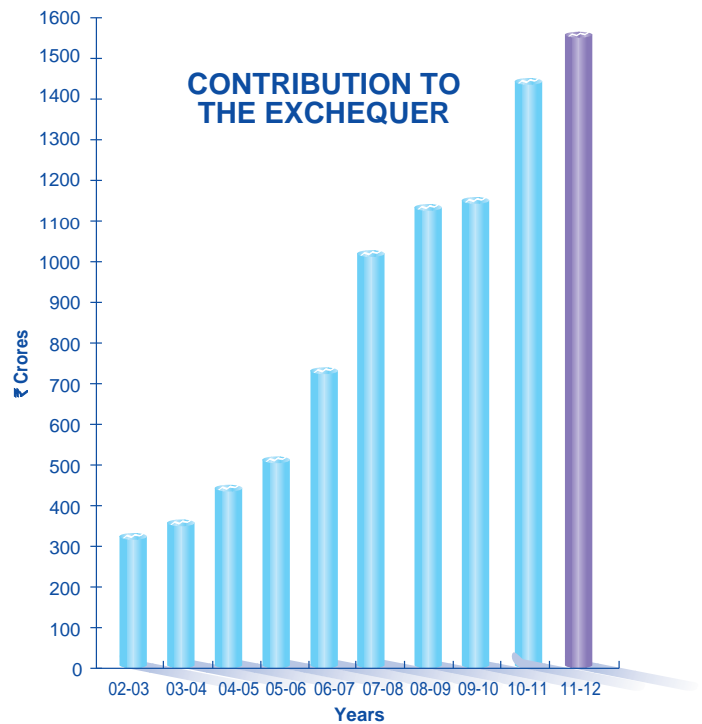
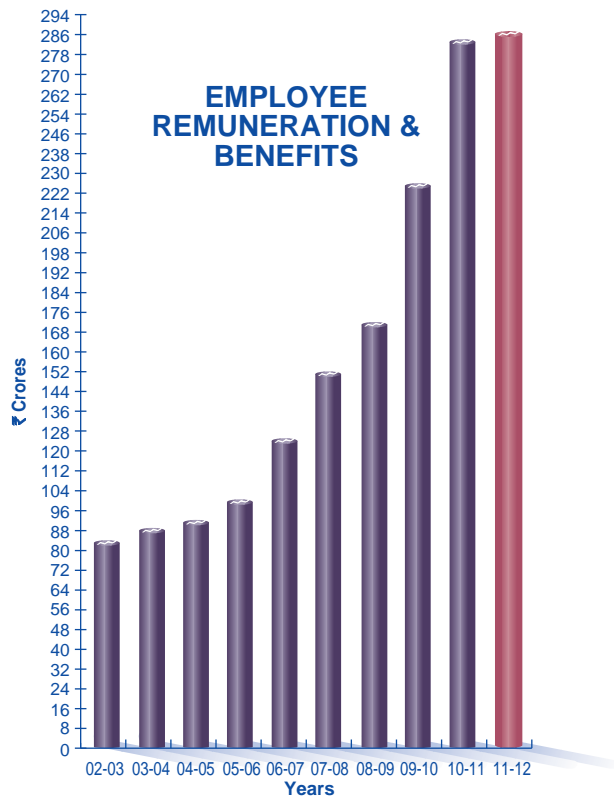
Place : Mumbai

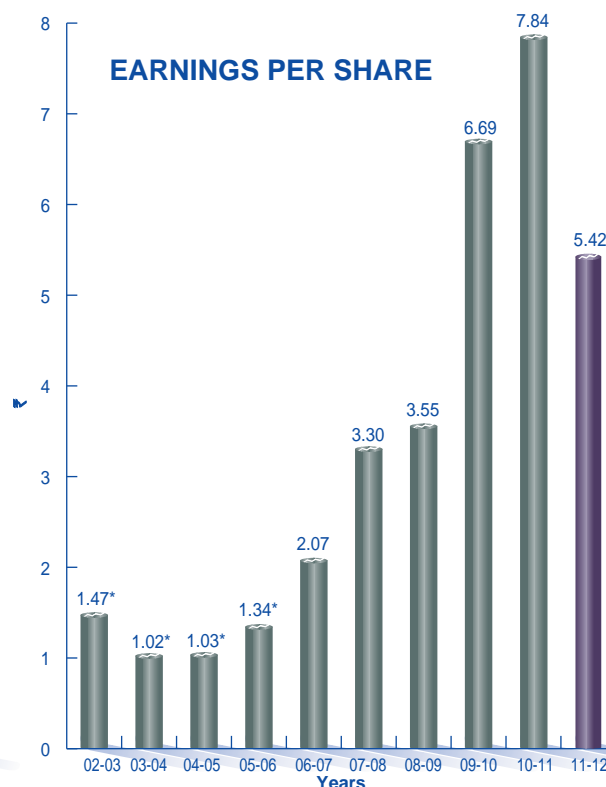
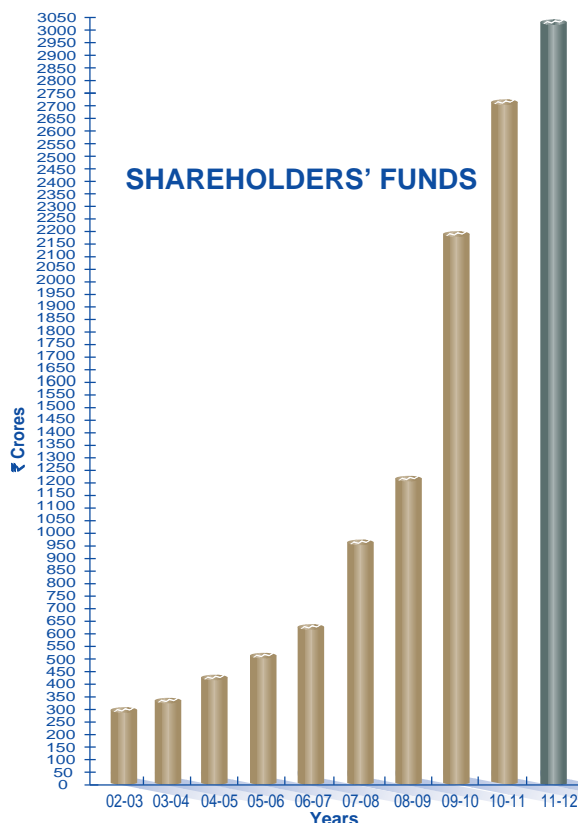
Date : 30th April, 2012

## FINANCIAL TRENDS









\* Equated to Face Value Re. 1 per share

## THE DECADE IN RETROSPECT

	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
	(₹ Crores)									
Sales (Gross)	5669	5040	4122	3857	3294	2170	1606	1368	1072	961
Operating Profit	751	983	902	551	476	317	229	182	182	162
Gross Profit	746	977	892	503	439	289	207	168	165	127
Taxation	184	274	274	151	124	80	51	37	37	29
Net Profit	461	666	537	284	250	155	101	77	73	52
Cash Profit	562	750	618	352	315	209	156	131	127	98
Annualised Earning per Share (₹)	5.42	7.84	6.69	3.55	3.30	+2.07	13.43	10.30	10.23 #	14.70
Dividend	145	140	95	56	37	31	26	21	32	16
<b>Balance Sheet</b>										
Net Fixed Assets*	967	874	685	653	565	455	408	428	416	415
Investments	1555	1378	1335	668	518	378	279	112	20	19
Current Assets	1547	1329	912	742	877	572	440	458	366	349
Total Assets	4069	3581	2932	2063	1960	1405	1127	998	802	783
Loans	-	2	90	317	350	325	290	290	199	282
Current Liabilities	954	796	593	487	572	407	282	220	210	143
Sub Total	954	798	683	804	922	732	572	510	409	425
Deferred Tax Liability	83	68	59	41	48	45	51	59	58	62
Net Worth*	3032	2715	2190	1218	990	628	504	429	335	296
Total Liabilities	4069	3581	2932	2063	1960	1405	1127	998	802	783
Book Value Per Share (₹)**	35.67	31.94	25.76	15.22	12.37	8.37	6.72	5.72	4.70	8.32 ***
Return on Networth (%)	17.0	30.4	44.1	28.7	39.9	30.8	23.5	23.1	24.6	19.9

\* Net of Revaluation Reserve

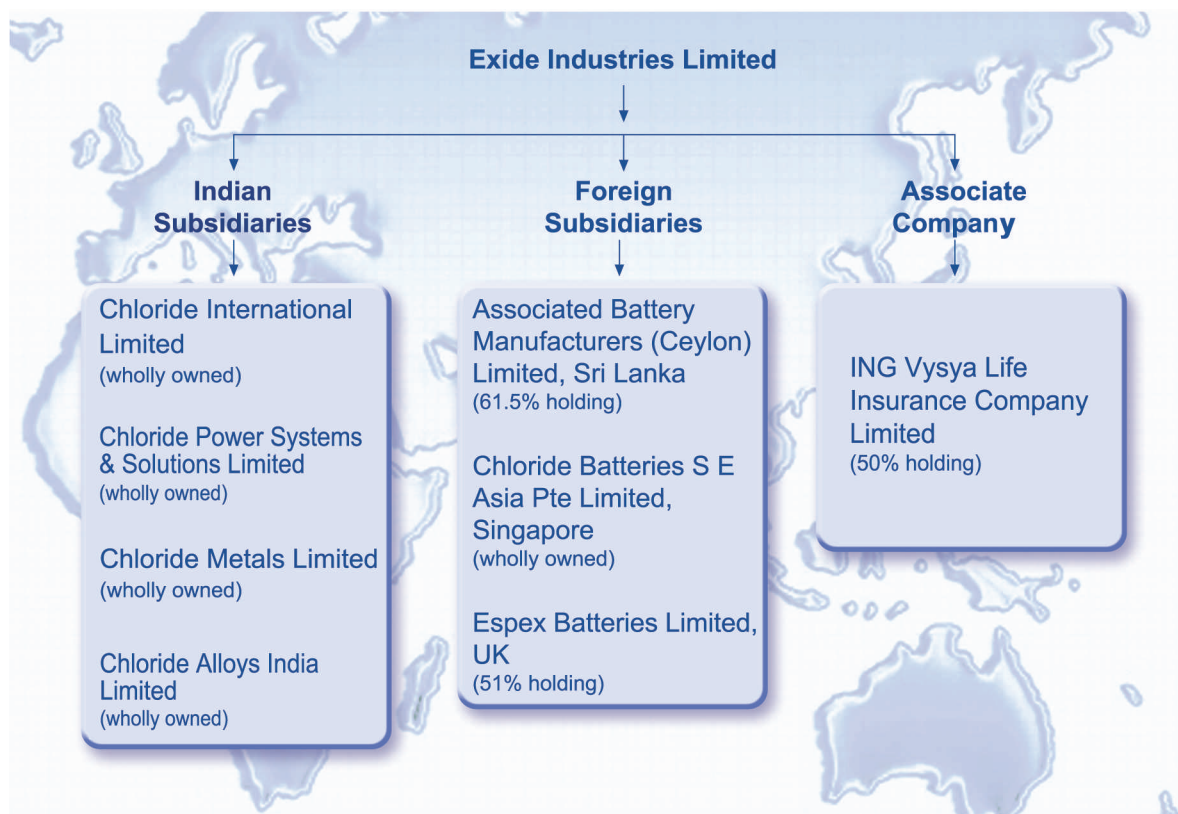
\*\* At same par value of share

\*\*\* Before Bonus-Issue at 1:1 in 2003-2004

# Post Bonus Issue

+ Post Sub-division of shares

## SUBSIDIARIES/ASSOCIATES



## EQUITY HISTORY

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

### Dividend:

The Board has recommended a final dividend of ₹ 0.60 per share (60%) subject to approval of the shareholders at the ensuing Annual General Meeting. Together with interim dividend of ₹ 0.90 per share (90%) paid on November 3, 2011 the total dividend for the year works out to ₹ 1.50 per share (150%) [previous year 150%].

## REPORT ON CORPORATE GOVERNANCE

### Governance Philosophy

The Company's approach and commitment to ethical Corporate Governance remains unchanged in its 65-years of existence. The underlying principles and core values still guide the Company in all its executive decision making processes.

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

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

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

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

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

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

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

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

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

### The Governance Structure

The following three interlinked levels within Exide practice Corporate Governance:

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

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

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

### BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board



to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

### Composition

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

The composition of the Board of Directors as on 30th April, 2012 is as follows:

Name of Director	Category of Directors	No. of other Directorships held (*)	Committee Memberships held in other companies (**)	
			As Member	As Chairman
Mr R G Kapadia	Independent Non-Executive Chairman	7	3	4
Mr R B Raheja	Non-Executive Vice Chairman	7	4	Nil
Mr T V Ramanathan	Executive Director	3	1	Nil
Mr G Chatterjee	Executive Director	4	1	Nil
Mr P K Katak	Executive Director	3	1	Nil
Mr A K Mukherjee	Executive Director	3	1	Nil
Mr Nadeem Kazim	Executive Director	3	1	Nil
Mr H M Kothari	Independent Non-Executive Director	1	Nil	Nil
Mr Bhaskar Mitter	Independent Non-Executive Director	3	5	1
Mr Vijay Aggarwal	Independent Non-Executive Director	4	1	1
Mr S B Raheja	Non-Executive Director	3	1	Nil
Mr D S Parekh (Alternate to Mr S B Raheja)	Independent Non-Executive Director	9	3	2
Mr W Wong	Non-Executive Director	Nil	Nil	Nil
Ms Mona N Desai	Independent Non-Executive Director	4	Nil	Nil

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

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

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

### Appointment/Re-appointment of Directors

The following Directors retire by rotation in accordance with the provisions of the Companies Act, 1956:

1. Mr Bhaskar Mitter
2. Mr Vijay Aggarwal
3. Mr H M Kothari
4. Mr R G Kapadia

All the above Directors, except Mr H M Kothari, have offered themselves for reappointment at the ensuing Annual General Meeting.

Mr T V Ramanathan has been re-appointed as Managing Director & Chief Executive Officer for a period of one year with effect from 1st May, 2012, subject to approval of the Members in General Meeting.

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

Mr Bhaskar Mitter, Mr Vijay Aggarwal and Mr R G Kapadia do not hold any equity shares in the Company. Mr T V Ramanathan holds 45839 equity shares in the Company.

### Meetings and Attendance

During the financial year ended 31st March, 2012, four Board Meetings were held on 27th April, 2011, 20th July, 2011, 20th October, 2011 and 20th January, 2012 respectively. The previous Annual General Meeting was held on 21st July, 2011.

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

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

\* Mr S N Mookherjee ceased to be a member of the Board of Directors of the Company since he did not seek re-appointment at the 64th Annual General Meeting of the Company held on 21st July, 2011.

### Code of Conduct for Directors and Senior Management

The Board had approved of the Code of Conduct as applicable to the Directors and the members of the Senior Management on 21st October, 2005.

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

## COMMITTEES OF THE BOARD

### A. AUDIT COMMITTEE

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

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

#### Composition

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

#### Attendance

During the financial year ended 31st March, 2012, four meetings of the Audit Committee were held on 27th April, 2011, 20th July, 2011, 20th October, 2011 and 20th January, 2012 respectively.

Name of Director	Number of meetings attended
Mr R G Kapadia	4
Mr Bhaskar Mitter	2
Mr Vijay Aggarwal	4
Mr S N Mookherjee*	Nil
Ms Mona N Desai	1

\* Mr S N Mookherjee ceased to be a member of the Board of Directors of the Company

since he did not seek re-appointment at the 64th Annual General Meeting of the Company held on 21st July, 2011.

The representatives of the Statutory Auditors attended all the Audit Committee Meetings held during the year.

### B. REMUNERATION COMMITTEE

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

#### Attendance

During the financial year ended 31st March, 2012, one meeting of the Remuneration Committee was held on 27th April, 2011.

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

\* Mr S N Mookherjee ceased to be a member of the Board of Directors of the Company since he did not seek re-appointment at the 64th Annual General Meeting of the Company held on 21st July, 2011.

#### Remuneration of Non-Executive Directors

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

#### Remuneration of Executive Directors

All the Executive Directors of the Company have been appointed on contractual basis. The details of remuneration paid to Executive Directors for the year ended 31st March, 2012 are given herein below:

(in ₹)

Name of Director	Salary & Performance Bonus	Contributions to retiral funds	Perquisites & Other benefits	Commission	Total
Mr T V Ramanathan	1,25,92,500	28,20,818	10,44,605	18,97,500	1,83,55,423
Mr G Chatterjee	1,11,22,500	23,30,241	9,09,772	15,67,500	1,59,30,013
Mr P K Katakya	1,04,02,500	23,30,241	14,52,496	15,67,500	1,57,52,737
Mr A K Mukherjee	57,50,000	13,50,193	10,24,990	16,50,000	97,75,183
Mr Nadeem Kazim*	37,00,000	8,51,685	7,01,609	11,10,000	63,63,294

\* With effect from 1st May, 2011.

### Shareholding of Non Executive Directors

Name of Director	No. of shares held as on 31st March, 2012
Mr D S Parekh	22,805
Mr H M Kothari	2,14,491
Ms Mona N Desai	78,666

### C. SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE

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

#### Attendance

During the financial year 2011-2012, one meeting of the Shareholders' Grievance Redressal Committee was held on 20th January, 2012.

Name of Director	Number of meetings attended
Mr Bhaskar Mitter	1
Mr T V Ramanathan	1
Mr G Chatterjee	1

Details of complaints at the beginning of the year, received and resolved during the year and pending share transfers as on 31st March, 2012:

Number of complaints at the beginning of the year	Nil
Number of complaints received	05
Number of complaints redressed	05
Number of complaints not resolved	Nil
Number of pending share transfers	04

### D. SHARE TRANSFER COMMITTEE

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

#### Attendance

During the financial year ended 31st March, 2012, thirteen meetings of the Share Transfer Committee were held on 6th April, 2011, 5th May, 2011, 4th June, 2011, 4th July, 2011,

20th July, 2011, 11th August, 2011, 9th September, 2011, 7th October, 2011, 3rd November, 2011, 2nd December, 2011, 2nd January, 2012, 2nd February, 2012 and 29th February, 2012 respectively.

Name of Director	Number of meetings attended
Mr T V Ramanathan	13
Mr G Chatterjee	10
Mr P K Katakya	4
Mr A K Mukherjee	13

### E. BANKING OPERATIONS COMMITTEE

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

#### Attendance

During the financial year ended 31st March, 2012, four meetings of the Committee were held on 16th May, 2011, 5th December, 2011, 2nd January, 2012 and 20th January, 2012 respectively.

Name of Director	Number of meetings attended
Mr T V Ramanathan	4
Mr G Chatterjee	4
Mr P K Katakya	2
Mr A K Mukherjee	4

### F. EXECUTIVE COMMITTEE

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

During the financial year ended 31st March, 2012, nine meetings of the Executive Committee were held on 8th June, 2011, 8th July, 2011, 9th September, 2011, 15th October, 2011, 9th November, 2011, 7th December, 2011, 10th January, 2012, 9th February, 2012 and 7th March, 2012 respectively.

The names of members of the Executive Committee as on 31st March, 2012 and the number of meetings attended by them during 2011-2012 are as follows:

Name	Number of meetings attended
Mr T V Ramanathan	9
Mr G Chatterjee	9
Mr P K Katakya	9
Mr A K Mukherjee	9
Mr S Coomer	7
Mr Nadeem Kazim	9

**GENERAL BODY MEETINGS**

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
62nd	31.03.2009	Kalamandir 48 Shakespeare Sarani Kolkata - 700 017	17.07.2009	10.30 AM
63rd	31.03.2010	Do	14.07.2010	10.30 AM
64th	31.03.2011	Do	21.07.2011	09.30 AM

**SPECIAL RESOLUTIONS**

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

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act, 1956
17th July 2009	None	Not Applicable
14th July 2010	None	Not Applicable
21st July 2011	None	Not applicable

**POSTAL BALLOT**

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

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

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

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

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

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

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

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

B. The Company's website at [www.exideindustries.com](http://www.exideindustries.com) is regularly updated with the financial results.

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

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

**GENERAL SHAREHOLDER INFORMATION**

1. The 65th Annual General Meeting is proposed to be held on Tuesday, 17th July, 2012 at 10:30 a.m. at 'Kala Mandir' 48, Shakespeare Sarani, Kolkata - 700017.

2. Financial Year: 1st April to 31st March.

**1. Tentative Financial Calendar for 2012-13**

First Quarterly Results	July, 2012
Second Quarterly/Half Yearly Results	October, 2012
Third Quarterly Results	January, 2013
Annual Results for the year ending on 31st March, 2013	April, 2013
Annual General Meeting for the year ending on 31st March, 2013	July, 2013

**2. Dates of Book Closure**

The Share Transfer Books and Register of Members of the Company will remain closed from 10th July, 2012 to 17th July, 2012 (both days inclusive).

**3. Dividend Payment Date**

During the financial year 2011-2012, the Company paid an interim dividend @ Re 0.90 per equity share of Re 1.00 each, to its shareholders.

The Final Dividend @ Re 0.60 per equity share of Re 1.00 each as recommended by the Board at its meeting held on 30th April, 2012 for the year ended 31st March, 2012, if approved by the shareholders at the ensuing Annual General Meeting to be held on Tuesday, 17th July, 2012, will be paid within 30 days from the date of the Annual General Meeting.

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

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

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



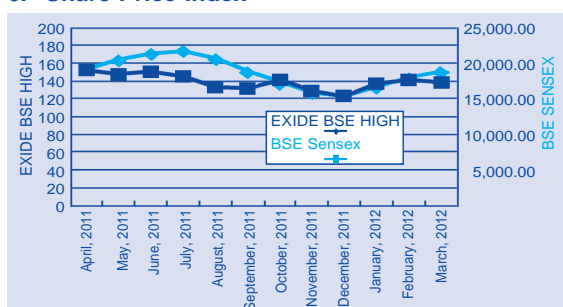
## 5. Stock Market price data for the year on BSE, NSE & CSE

Month	BSE (#)		NSE (#)		CSE*	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2011	154.25	135.50	154.85	138.35	*	*
May 2011	163.85	151.50	164.40	150.50	*	*
June 2011	171.00	142.85	169.75	142.00	*	*
July 2011	174.65	148.40	174.60	148.10	*	*
August 2011	165.25	141.15	188.20	141.50	*	*
September 2011	151.00	127.15	151.40	127.00	*	*
October 2011	138.30	108.00	138.50	108.00	*	*
November 2011	126.25	107.35	127.00	110.00	*	*
December 2011	124.15	98.75	124.25	98.70	*	*
January 2012	133.70	104.55	133.75	104.55	*	*
February 2012	143.90	127.00	144.00	126.65	*	*
March 2012	150.70	130.70	151.15	130.30	*	*

(#) Source BSE and NSE website

\* No trading on the exchange

## 6. Share Price Index



## 7. Share Transfer Agent

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

## 8. Share Transfer System

As already stated, the Company's shares are traded on the Stock Exchanges, compulsorily in demat mode. Therefore, shareholders are requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and Share Certificates, etc. should be sent by their Depository Participants (DPs) directly to the Share Transfer Agents. Any delay on the part of the DPs to send the DRF and the Share Certificates beyond 15 days from the date of generation of the DRN by the DP will be rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 30 days. Shareholders should, therefore, ensure that their DPs do not delay in sending the DRF and Share Certificates to the Share Transfer Agent after generating the DRN.

## 9. Nomination Facility

Pursuant to Section 109A of the Companies Act, 1956 nomination facility is available to the shareholders. This facility is mainly useful for shareholders holding the shares in single name. In cases where the

shares are held in joint names, the nomination will be effective only in the event of death of all the joint holders.

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

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

## 10. Share Transfer Record

Month	No. of transfers	No. of shares processed
April 2011	12	11922
May 2011	29	34014
June 2011	10	26298
July 2011	09	12370
August 2011	05	8660
September 2011	07	15502
October 2011	08	15030
November 2011	03	11316
December 2011	12	24365
January 2012	06	36304
February 2012	20	28604
March 2012	—	—

## 11. Distribution of Shareholding as on 31.03.2012

Range		No. of shares of face value of ₹ 1.00 each	% of total shares	Total no. of holders	% of total holders
1	5000	32794977	3.86	72018	94.41
5001	10000	16034370	1.89	2263	2.97
10001	20000	14609419	1.72	1062	1.39
20001	30000	7853637	0.92	324	0.42
30001	40000	5675155	0.67	163	0.21
40001	50000	3575649	0.42	80	0.10
50001	100000	9252635	1.09	135	0.18
100001	& above	760204158	89.43	242	0.32
	TOTAL	850000000	100.00	76287	100.00

## 12. Shareholding Pattern of the Company as on 31.03.2012

Category	No. of Shares	% of total issued share
Promoter Holding	390954666	45.99
Foreign Institutional Investors	153873574	18.10
Non Resident Individual	3327741	0.39
Mutual Funds	28035162	3.30
Financial Institutions, Insurance Companies & Banks	85444090	10.05
Public & Clearing Members	86587892	10.19
Bodies Corporate	100948978	11.88
Directors & their relatives	827897	0.10
<b>TOTAL</b>	<b>850000000</b>	<b>100.00</b>

## 13. Dematerialisation of Shares

As on 31 March, 2012, 82,89,47,288 shares representing 97.52% of the Company's total shares are held in dematerialized form and 2,10,52,712 shares representing 2.48% are in physical form.

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

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

**15. Cost Audit**

Name of the Cost Auditor : Mani & Co.  
Cost Accountants  
"Ashoka", 111 Southern Avenue,  
Kolkata - 700 029  
Regn No.: 00004

Due date of filing of Cost Audit Report for 2011-12 : 27.09.2011

Actual date of filing of Cost Audit Report for 2011-12 : 23.08.2011

**16. Plant Locations**

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

**17. Address for Correspondence**

The Company's registered office is situated at Exide House, 59E, Chowringhee Road, Kolkata - 700 020. Shareholders correspondence should be addressed to;

(a) Share Department, Exide Industries Ltd.,  
Exide House, 59E Chowringhee Road,  
Kolkata – 700 020.  
**Contact Person:**  
Mr Supriya Coomer,  
Company Secretary and Vice President  
(Legal & Administration) and Compliance Officer,  
Tel Nos. : [033] 2283 2636  
Fax No. : [033] 2283 2637  
Email : [supriyac@exide.co.in](mailto:supriyac@exide.co.in)

(b) C B Management Services (P) Ltd.,  
P- 22 Bondel Road, Kolkata – 700 019  
**Contact Person:**  
Mr Supriya Ghosh, Vice President  
Tel Nos. : [033] 4011 6700/6711/  
6725/6729  
Fax No. : [033] 4011 6739  
Email : [rta@cbmsl.com](mailto:rta@cbmsl.com)

(c) For investor grievances shareholders may send an email to [cosec@exide.co.in](mailto:cosec@exide.co.in)

**Status as regards adoption/non adoption of non-mandatory requirements laid down in revised Clause 49 of the Listing Agreement and forming part of the Report on Corporate Governance**

Particulars	Status
<b>The Board</b>	
a) Non-Executive Chairman may maintain a Chairman's office at the expense of the Company.	Not Adopted
b) Independent Directors may have a tenure not exceeding in the aggregate, a period of nine years, on the Board of the Company.	Not Adopted
<b>Remuneration Committee</b>	
i) The above Committee has been constituted as per the provisions contained in Schedule XIII of the Companies Act, 1956.	Adopted
ii) The Chairman of the Committee is an Independent Director.	Adopted
iii) The Chairman of the Committee was present at the last Annual General Meeting of the Members.	Adopted
<b>Shareholders Rights</b>	
A half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.	Adopted. However, not sent during 2011-2012 as part of austerity measures.
<b>Audit Certifications</b>	
Company may move towards a regime of unqualified financial statements.	Adopted even before Clause 49 became effective.
<b>Training of Board members</b>	
Board members may be trained in the business model of the Company as well as on the risk profile of the business parameters of the Company, their responsibilities as Directors and the best ways of discharging them.	All members of the Board are experts in their respective fields and well aware of the business model of the Company as well as its risk profile.
<b>Evaluation of Non-Executive Board Members</b>	
Mechanism for evaluating performance of Non-Executive Directors by peer group consisting of entire board excluding the director being evaluated.	Not adopted
<b>Whistle Blower Policy</b>	
The Company may establish a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.	Not adopted

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

## AUDITORS' CERTIFICATE

To

**The Members of Exide Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Exide Industries Limited, for the year ended on 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

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

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

**For S. R. Batliboi & Co.**

**Firm Registration Number : 301003E**

**Chartered Accountants**

per Sanjoy K. Gupta

Partner

Membership No.: 54968

Place : Mumbai

Date : 30th April, 2012

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)

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

We, T V Ramanathan, Managing Director & CEO and A K Mukherjee, Director-Finance & CFO of Exide Industries Limited certify to the Board in terms of the requirement of Clause 49 V of the Listing Agreement with the Stock Exchanges, that we have reviewed the financial statement and cash flow statement of the Company for the financial year ended 31st March, 2012.

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

Place : Mumbai  
Date : 30.04.2012

T V Ramanathan  
Managing Director & CEO

A K Mukherjee  
Director-Finance & CFO

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## ANNUAL DECLARATION UNDER CLAUSE 49(1)(D) OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

### DECLARATION

As required under Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have complied with the Code of Conduct of the Company for the year ended 31st March, 2012.

Place : Mumbai  
Date : 30.04.2012

T V Ramanathan  
Managing Director & CEO



## AUDITORS' REPORT

### TO THE MEMBERS OF EXIDE INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of Exide Industries Limited ('the Company') as at March 31, 2012 and also the Statement of Profit and Loss and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956;
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
    - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2012;
    - b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
    - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For S.R. BATLIBOI & CO.**  
**Firm Registration Number: 301003E**  
**Chartered Accountants**

per Sanjoy K. Gupta

Partner

Place : Mumbai

Date : April 30, 2012

Membership No.: 54968

**TO THE MEMBERS OF EXIDE INDUSTRIES LIMITED**  
 (REFERRED TO IN OUR REPORT OF EVEN DATE)  
 Re: Exide Industries Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company in earlier year had granted unsecured loan to a Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 0.08 cr and the year-end balance of loans granted to such party was Rs 0.08 cr.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (c) In respect of above loans granted, the recovery of principal amount has not fallen due but the recovery of interest has been regular during the year.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.

- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacture of company's products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:-

Name of the statute	Nature of dues	Amount (in Rs. crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Service Tax	Determination of Assessable Value/Denial of exemption notification/Availment of Cenvat Credit	11.42	1993-94 to 2010-11	Various Appellate Authorities
	MRP Based Assessment	65.20	2006-07 to 2009-10	CESTAT, Kolkata
Pimpri Municipal Corporation Act	Demand for Octroi duty	0.12	2000-01	Civil Court, Pune
The Central Sales Tax Act, 1956	Demand relating to non submission of C forms and other documents	1.48	2000-01 to 2008-09	Various Appellate Authorities
Various States Sales Tax Act	Demand relating to non submission of Local forms/ dispute related to classification of goods	2.02	1996-97 to 2008-09	Various Appellate Authorities
The Income Tax Act, 1961	Disallowance of certain expenses	0.80	Assessment year 2001-02	Income Tax Appellate Tribunal
	– DO –	37.23	Assessment years 2005-06 to 2008-09	CIT, Appeals

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. There were no outstanding debentures during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on the information and explanations given to us by the management, term loans which have been repaid during the year were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For S.R. BATLIBOI & CO.**  
**Firm Registration Number: 301003E**  
**Chartered Accountants**

per Sanjoy K. Gupta

Partner

Place : Mumbai

Date : April 30, 2012

Membership No.: 54968



## BALANCE SHEET

AS AT 31ST MARCH 2012

Particulars	Note No.	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>I EQUITY AND LIABILITY</b>			
<b>1) SHAREHOLDERS' FUND</b>			
a) Share Capital	2	85.00	85.00
b) Reserves & Surplus	3	2,972.32	2,657.45
		<b>3,057.32</b>	<b>2,742.45</b>
<b>2) NON-CURRENT LIABILITIES</b>			
a) Deferred tax liabilities (Net)	4	82.50	67.50
b) Other Long term liabilities	5	4.14	3.27
c) Long-term provisions	6	54.24	46.48
		<b>140.88</b>	<b>117.25</b>
<b>3) CURRENT LIABILITIES</b>			
a) Short-term borrowings	7	—	0.06
b) Trade payables	8	576.51	483.51
c) Other current liabilities	9	209.29	174.05
d) Short-term provisions	10	110.37	89.68
		<b>896.17</b>	<b>747.30</b>
<b>TOTAL</b>		<b>4,094.37</b>	<b>3,607.00</b>
<b>II ASSETS</b>			
<b>1) NON CURRENT ASSETS</b>			
a) Fixed Assets			
i) Tangible assets	11	954.75	835.22
ii) Intangible assets	12	11.80	0.62
iii) Capital work-in-progress		26.64	47.48
b) Non-current investments	13	906.55	874.78
c) Long-term loans and advances	14	17.51	31.20
d) Other non-current assets	15	0.89	0.31
		<b>1,918.14</b>	<b>1,789.61</b>
<b>2) CURRENT ASSETS</b>			
a) Current Investments	16	648.07	503.20
b) Inventories	17	968.12	858.94
c) Trade receivables	18	402.30	366.22
d) Cash and bank balances	19	57.67	14.74
e) Short-term loans and advances	20	95.65	63.47
f) Other current assets	21	4.42	10.82
		<b>2,176.23</b>	<b>1,817.39</b>
<b>TOTAL</b>		<b>4,094.37</b>	<b>3,607.00</b>
Significant accounting policies	1		

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

As per our report of even date.

For and on behalf of the Board of Directors

S. R. Batliboi & Co.  
 Registration Number: 301003E  
 Chartered Accountants  
 Per Sanjoy K. Gupta  
 a Partner  
 Membership No. 54968  
 Mumbai, 30 April, 2012

S. Coomer  
 Secretary

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

## STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Note No.	2011-12 (Rs. In Crores)	2010-11 (Rs. In Crores)
<b>INCOME:</b>			
I Revenue from operations (Gross)	22	5,668.52	5,040.31
Less: Excise Duty		561.48	492.98
Revenue from operations (Net)		<b>5,107.04</b>	<b>4,547.33</b>
II Other income	23	67.26	104.14
III Total Revenue		<b>5,174.30</b>	<b>4,651.47</b>
<b>IV EXPENSES:</b>			
Cost of raw material and components consumed	24	3,457.72	2,962.36
Purchase of traded goods		7.30	61.49
Increase in inventories of finished goods, work-in-progress and traded goods	25	(32.03)	(200.86)
Employee benefit expenses	26	286.21	282.85
Finance costs	27	5.30	6.03
Depreciation and amortisation expenses	28	100.68	83.46
Other expenses	29	703.95	562.91
Total expenses		<b>4,529.13</b>	<b>3,758.24</b>
V Profit before Exceptional Item and Tax		<b>645.17</b>	<b>893.23</b>
Exceptional Item	38	—	46.93
VI Profit before tax		<b>645.17</b>	<b>940.16</b>
VII Tax expenses:			
1. Current tax (Net of reversal of excess provision of earlier years Rs 4.37 crs. (PY charge Rs 6.35 Crs))		169.00	265.30
2. Deferred tax		15.00	8.50
		<b>184.00</b>	<b>273.80</b>
VIII Profit for the Year		<b>461.17</b>	<b>666.36</b>
Earnings per share - Basic and Diluted (Nominal value Re 1 per share (PY Re 1 per share))		5.42	7.84
Significant accounting policies	1		

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

For and on behalf of the Board of Directors

S. R. Batliboi & Co.  
Registration Number: 301003E  
Chartered Accountants  
Per Sanjoy K. Gupta  
a Partner  
Membership No. 54968  
Mumbai, 30 April, 2012

S. Coomer  
Secretary

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

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2012

	2011-2012		2010-2011	
	(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)	(Rs. In Crores)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before tax		645.17		940.16
Adjustment for :				
Depreciation	100.68		83.46	
Exceptional Item	—		(46.93)	
Profit on Fixed Assets sold	(0.28)		(0.26)	
Loss on Fixed Assets sold / discarded	0.59		0.46	
Gain on Prepayment of Sales Tax Loan	—		(20.65)	
Dividend Income	(63.28)		(79.94)	
Interest Expense	5.30		6.03	
Interest Income	(0.46)		(0.30)	
		42.55		(58.13)
Operating profit before working capital changes		687.72		882.03
(Increase)/Decrease in Trade Receivables (net of provision)	(36.70)		(112.09)	
(Increase)/Decrease in Inventories	(109.18)		(252.17)	
(Increase)/Decrease in Loans & Advances	(16.28)		(17.66)	
Increase/(Decrease) in Current Liabilities	168.81	6.65	179.31	(202.61)
Cash generation from operations		694.37		679.42
Direct Taxes Paid (net of refund)		(184.21)		(281.63)
Net Cash from operating activities		510.16		397.79
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(199.55)		(275.24)	
Sale of Fixed Assets	0.46		59.25	
Acquisition of Business	(17.33)		—	
Acquisition of Shares	(31.77)		(142.34)	
Purchase of Mutual Fund units	(2,062.00)		(1,405.00)	
Sale of Mutual Fund units	1,917.00		1,505.00	
Interest Received	0.33		0.27	
Dividend received	69.90		73.61	
Net Cash used in investing activities		(322.96)		(184.45)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Repayment of Long Term Borrowings	(2.09)		(67.08)	
Net increase/(decrease) in other borrowings	(0.06)		(0.11)	
Share Issue expenses	—		(0.19)	
Dividends Paid (including tax)	(137.10)		(128.17)	
Interest Paid	(5.02)		(5.93)	
Net Cash used in financing activities		(144.27)		(201.48)
Net Increase in cash and cash equivalents		42.93		11.86
Cash and cash equivalents as at 1 April 2011#		14.74		2.88
Cash and cash equivalents as at 31 March 2012#		57.67*		14.74

# as disclosed in Note 19

\* Includes Rs. 3.54 crs (Rs. 2.70 crs) lying in Unclaimed Dividend Account, being the amount available for restricted use.

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

As per our report of even date.

For and on behalf of the Board of Directors

S. R. Batliboi & Co.  
 Firm Registration Number : 301003E  
 Chartered Accountants  
 Per Sanjoy K. Gupta  
 a Partner  
 Membership No. 54968  
 Mumbai, 30 April, 2012

S. Coomer  
 Secretary

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

# NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2012

## 1 SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of Preparation

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

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

#### i) Presentation and disclosure of financial statements

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. Except accounting for dividend on investments in subsidiary companies (see below), the adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### ii) Dividend on Investment in subsidiary companies

Till the year ended 31st March 2011, the company, in accordance with the pre-revised Schedule VI requirement, was recognising dividend declared by subsidiary companies after the reporting date in the current year's statement of profit and loss if such dividend pertained to the period ending on or before the reporting date. The revised schedule VI, applicable for financial years commencing on or after 1 April 2011, does not contain this requirement. Hence, to comply with AS 9 Revenue Recognition, the company has changed its accounting policy for recognition of dividend income from subsidiary companies. In accordance with the revised policy, the company recognises dividend as income only when the right to receive the same is established by the reporting date.

### b. Use of estimates

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

### c. Revenue Recognition

#### Sale of Goods

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

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

#### Interest

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

#### Dividends

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

### d. Fixed Assets

Fixed Assets are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation and impairment losses, if any. Cost comprises of Purchase price inclusive of duties (net of Cenvat), taxes,

incidental expenses, erection/commissioning expenses etc upto the date the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written up by the valuer, is considered in the accounts and the differential amount is transferred to revaluation reserve.

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

## e. Investments

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

## f. Depreciation and Amortisation

- i) The classification of plant & machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.
- ii) a) Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except for the assets shown in (b) below. Further, in respect of certain assets whose residual economic life, as determined by the approved valuer, is less than the residual life as per the books, depreciation is provided at the adjusted higher rates so that the value thereof is written off over the economic life determined by the valuer.
- b) Based upon their respective useful economic life, depreciation on the following assets is provided at a rate higher than those specified in Schedule - XIV of the Companies Act 1956:

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

- c) The Company has estimated the residual value of Plant & Machinery, moulds and computers to be 2% of the cost as against 5% specified in Section 205 (2)(c) of the Companies Act, 1956. Accordingly, 98% of the value of fixed assets is being depreciated in the accounts.
- iii) Depreciation includes amount amortised on a straight-line basis in respect of leasehold properties over the respective lease period.
- iv) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/disposal.
- v) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

## g. Intangible Assets

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

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



- ii) Acquired computer software and licenses are capitalised on the basis of costs incurred to bring the specific intangibles to its intended use. These cost are amortised on a straight-line basis over their estimated useful life of five years.
  - iii) Acquired Goodwill is amortised on a straight-line basis over a period of five years. Goodwill is also tested for impairment every year, if there are any indicators for impairment.
- h. Leases:**
- i) **Finance lease:**
    - a ) Assets given under a finance lease are recognized as receivables at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest as per the IRR method. The principal amount received reduces the net investment in the lease and interest is recognized as revenue. Initial direct costs such as legal charges, brokerage etc are recognized immediately in the Profit & Loss Account.
    - b) Assets acquired under finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.
    - c) A leased asset is depreciated on a straight line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.
  - ii) **Operating leases:**
    - a) Assets acquired under Operating Leases represent assets where the lessor effectively retains substantially all the risks and benefits of their ownership. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.
    - b) Assets given under operating leases are included in fixed assets. Lease income is recognized in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the Profit and Loss Account.
- i. Foreign Currency Transactions**
- i) **Initial Recognition**  
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
  - ii) **Conversion**  
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
  - iii) **Exchange Differences**  
Exchange differences arising on the settlement / conversion of monetary items, are recognized as income or expenses in the year in which they arise.
  - iv) **Forward Exchange Contracts**  
The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

## j. Inventories

- i) Raw materials, components, stores and spares are valued at Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- ii) Work-in-progress and finished goods are valued at Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

## k. Borrowing Costs

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

## l. Expenditure on new projects and substantial expansion

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

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

## m. Excise Duty

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

## n. Retirement and other employee benefits

- i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contribution to the respective funds are due. There are no obligations other than the contribution payable to the respective trusts.
- ii) Gratuity and Post Retirement Medical Benefit liability are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year.
- iv) Payments made under the Voluntary Retirement Scheme are charged to the Profit and Loss account.
- v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in note no. 31. The contributions towards defined contribution are charged to the Profit and Loss account of the year when the contribution becomes due. The Defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.
- vi) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.
- vii) The current and non current bifurcation is done as per Actuarial report.

## o. Taxation

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

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

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

**p. Earning per share**

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

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

**q. Provision**

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

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

**r. Segment reporting**

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

**s. Contingent Liabilities**

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

**t. Cash and cash equivalents**

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

## ACCOUNTING POLICIES AND NOTES ON ACCOUNT

AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

PARTICULARS	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
2. SHARE CAPITAL		
a) <b>Authorised</b>		
	100.00	100.00
1,000,000,000 Equity Shares (PY: 1,000,000,000) of Re. 1 each	<u>100.00</u>	<u>100.00</u>
b) <b>Issued, Subscribed &amp; paid-up</b>	85.00	85.00
850,000,000 Equity Shares (PY: 850,000,000) of Re. 1 each	<u>85.00</u>	<u>85.00</u>

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

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

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

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

During the year ended 31st March 2012, the amount of per share Dividend recognised as distributions to equity shareholders was Rs 1.50 (PY Rs 1.50 per share)

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

Name of Shareholder		March 31, 2012	March 31, 2011
		Number of Shares	
Chloride Eastern Limited, UK holding 45.99% (PY: 45.99%)		390,954,666	390,954,666

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

### 3. RESERVES & SURPLUS

### a) Revaluation Reserve

Balance as per Last Account	27.20	30.26
Less: Adjusted towards assets sold / discarded	0.06	1.44
Less: Transfer to Depreciation Account	1.46	1.62
<b>Closing Balance</b>	<b>25.68</b>	<b>27.20</b>

### b) Securities Premium Account

Balance as per Last Account	737.88	738.07
Less: Share Issue Expenses adjusted	—	0.19
<b>Closing Balance</b>	<b>737.88</b>	<b>737.88</b>

### c) General Reserve

Balance as per Last Account	925.00	850.00
Add: Amount transferred from Statement of Profit and Loss	50.00	75.00
<b>Closing Balance</b>	<b>975.00</b>	<b>925.00</b>

d) **Contingency Reserve\*** - Created during the year

Closing Balance	25.00	-
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	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>e) Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	967.37	516.44
Add: Profit for the year	461.17	666.36
Less: Appropriations		
Proposed final equity dividend (amount per share Re. 0.60 (PY Re 0.60))	(51.00)	(51.00)
Tax on proposed equity dividend	(8.03)	(0.35)
Interim dividend (amount per share Re. 0.90 (PY Re 0.90))	(76.50)	(76.50)
Tax on interim dividend	(9.25)	(12.58)
Transfer to General reserve	(50.00)	(75.00)
Transfer to Contingency reserve	(25.00)	—
Total Appropriations	<u>(219.78)</u>	<u>(215.43)</u>
<b>Net Surplus in Statement of Profit and Loss</b>	<u><b>1,208.76</b></u>	<u><b>967.37</b></u>
	<u><b>2,972.32</b></u>	<u><b>2,657.45</b></u>

\* The Company has created the contingency reserve to set aside funds for meeting present and future contingencies and claims, if any.

#### 4. DEFERRED TAX LIABILITY (NET)

a) Deferred tax liability:		
Arising out of timing difference in depreciable assets	80.83	69.04
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	16.50	12.62
b) Deferred tax assets:		
On expenses allowable against taxable income in future years	4.60	3.22
Expenses disallowed in earlier assessments which are being contested	10.23	10.94
	<u><b>82.50</b></u>	<u><b>67.50</b></u>

#### 5. OTHER LONG TERM LIABILITIES

a) Trade payables	3.05	3.27
b) Others - For expenses	1.09	—
	<u><b>4.14</b></u>	<u><b>3.27</b></u>

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

#### 6. LONG TERM PROVISIONS

a) Provision for employee benefits (refer note 31)		
Post retiral medical benefits	3.33	3.40
Gratuity	—	2.39
Leave benefits	13.12	12.97
b) Others		
Provision for warranty (refer note no 10)	37.79	27.72
	<u><b>54.24</b></u>	<u><b>46.48</b></u>

#### 7. SHORT TERM BORROWINGS

##### SECURED

a) From Banks		
Overdraft	—	0.06
(Secured by hypothecation of book debts, both present and future)	—	—
<b>TOTAL</b>	<u><b>—</b></u>	<u><b>0.06</b></u>

#### 8. TRADE PAYABLES

a) Trade payable for goods & services (refer note no 36)	518.15	404.15
b) Acceptances	58.36	79.36
	<u><b>576.51</b></u>	<u><b>483.51</b></u>

#### 9. OTHER CURRENT LIABILITIES

a) Current maturities of long-term debts		
Term Loan from Bank*	—	2.09
b) Interest accrued but not due on borrowings:	—	0.04
c) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	3.54	2.70
d) Other payables -		
Taxes and duties payable	44.29	33.02
Advances from customers	18.74	11.60
For Selling Expenses	89.75	75.17
For Other Expenses	52.97	49.43
	<u><b>209.29</b></u>	<u><b>174.05</b></u>

\* Term Loan from bank represents buyers credit carrying an interest rate of 7% pa.



# 10. SHORT-TERM PROVISIONS

- a) Provision for employee benefits (refer note 31)
- Post retiral medical benefits
- Leave benefits
- b) Others
- Provision for Warranty Claims
- Provision for proposed dividend
- Provision for tax on proposed dividend

March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
0.18	0.19
1.38	1.27
49.78	36.87
51.00	51.00
8.03	0.35
<b>110.37</b>	<b>89.68</b>

## Provisions for warranties

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

### Opening Balance

Add: Provision created during the year

Less: Product related warranties issued for the year

### Closing Balance

Current portion

Non current portion

64.59	45.50
129.58	96.09
106.60	77.00
<b>87.57</b>	<b>64.59</b>
49.78	36.87
37.79	27.72

# 11. TANGIBLE ASSETS

	(Rs. In Crores)								
	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Furniture & fittings	Vehicles	Computers	Total
<b>Cost</b>									
As at 1st April 2010	36.49	17.87	203.91	931.13	110.68	12.48	2.79	20.11	1,335.46
Additions	1.57	–	38.83	194.02	17.62	1.80	0.48	3.15	257.47
Disposals / Deductions	11.98	–	3.94	9.18	5.65	0.66	0.62	1.48	33.51
As at 31st March 2011	26.08	17.87	238.80	1,115.97	122.65	13.62	2.65	21.78	1,559.42
Additions	–	–	21.35	178.44	15.39	0.50	–	0.99	216.67
Acquisition through Purchase of business (refer note 12(b))	0.32	–	2.36	1.91	–	0.34	–	0.07	5.00
Disposals / deductions	–	–	0.27	12.30	3.16	0.16	0.30	2.03	18.22
As at 31st March 2012	26.40	17.87	262.24 (b)	1,284.02	134.88	14.30	2.35	20.81	1,762.87
<b>Depreciation</b>									
As at 1st April 2010	–	2.57	54.79	510.05	65.66	8.43	1.72	15.56	658.78
Charge for the year	–	0.22	6.03	66.80	8.52	0.74	0.31	2.35	84.97
Disposals / deductions	–	–	3.20	8.34	5.44	0.61	0.52	1.44	19.55
As at 31st March 2011	–	2.79	57.62	568.51	68.74	8.56	1.51	16.47	724.20
Charge for the year	–	0.22	7.29	79.92	10.31	0.88	0.30	2.41	101.33
Disposals / deductions	–	–	0.19	11.72	3.08	0.18	0.27	1.97	17.41
As at 31st March 2012	–	3.01	64.72	636.71	75.97	9.26	1.54	16.91	808.12
<b>Net Block</b>									
As at 31st March 2011	26.08	15.08	181.18	547.46	53.91	5.06	1.14	5.31	835.22
As at 31st March 2012	26.40	14.86	197.52	647.31	58.91	5.04	0.81	3.90	954.75

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

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

c. Land, Buildings and Plant & Machinery of the Company as on 31st March 1991 and 1999 were revalued by the approved valuers and the surplus arising thereon, has been transferred to Revaluation Reserve.

As in the previous years, additional depreciation for the year on the revalued assets has been appropriated from the Revaluation Reserve.

d) Furniture & fittings above include office equipments.

## 12. INTANGIBLE ASSETS

**Cost**

As at 1st April 2010

Additions

As at 31st March 2011

**Additions**

Acquisition through Purchase of business

Disposals / deductions

As at 31st March 2012

**Amortisation**

As at 1st April 2010

Charge for the year

As at 31st March 2011

Charge for the year

As at 31st March 2012

**Net Block**

As at 31st March 2011

As at 31st March 2012

			Rs. in Crores
	Goodwill	Computer Software	Total
As at 1st April 2010	1.00 (a)	—	1.00
Additions	—	0.73	0.73
As at 31st March 2011	1.00	0.73	1.73
Acquisition through Purchase of business	—	0.91	0.91
Disposals / deductions	11.10 (b)	—	11.10
As at 31st March 2012	—	0.02	0.02
	12.10	1.62	13.72
As at 1st April 2010	1.00	—	1.00
Charge for the year	—	0.11	0.11
As at 31st March 2011	1.00	0.11	1.11
Charge for the year	0.56	0.25	0.81
As at 31st March 2012	1.56	0.36	1.92
As at 31st March 2011	—	0.62	0.62
As at 31st March 2012	10.54	1.26	11.80

a. Includes Trade Marks, Patents and other intangibles not separately identifiable.

b. During the year, the company has acquired the Home UPS system business from M/S Kevin Power Solutions Limited on a slump sale basis at a consideration of Rs 17.23 Crores. The assets acquired have been accounted for on a Fair Value basis and the remaining amount of Rs 11.10 Crores has been recognised as Goodwill on such acquisition.

## 13. NON-CURRENT INVESTMENTS (VALUED AT COST UNLESS STATED OTHERWISE)

Trade (unquoted)

**GOVERNMENT SECURITIES**

Government Securities (lodged as security deposits with various authorities)

**EQUITY SHARES, FULLY PAID UP****SHARES IN SUBSIDIARY COMPANIES**

Chloride International Limited (450,000 shares of Rs. 10 each (PY 450,000 Shares))

Chloride Power Systems &amp; Solutions Limited (1,980,000 shares of Rs. 10 each (PY 1,980,000 shares)) (formerly known as Caldyne Automatics Limited)

Chloride Metals Limited (1,50,00,000 shares of Rs. 10 each (PY 5,346,100 shares))

Chloride Alloys India Limited (2,50,00,000 shares of Rs. 10 each (PY 4,680,000 shares)) (formerly known as Leadage Alloys India Limited)

Chloride Batteries S.E. Asia Pte Limited (7,000,000 shares of Singapore \$ 1 each (PY 7,000,000 shares))

Espex Batteries Limited (102,000 shares of GBP 1 each (PY 102,000 shares))

Associated battery Manufacturers (Ceylon) Ltd (3,896,640 shares of Sri Lankan Rupees 10 each (PY 3,896,640 shares))

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
Chloride International Limited (450,000 shares of Rs. 10 each (PY 450,000 Shares))	0.20	0.20
Chloride Power Systems & Solutions Limited (1,980,000 shares of Rs. 10 each (PY 1,980,000 shares)) (formerly known as Caldyne Automatics Limited)	2.93	2.93
Chloride Metals Limited (1,50,00,000 shares of Rs. 10 each (PY 5,346,100 shares))	34.65	25.00
Chloride Alloys India Limited (2,50,00,000 shares of Rs. 10 each (PY 4,680,000 shares)) (formerly known as Leadage Alloys India Limited)	74.37	54.05
Chloride Batteries S.E. Asia Pte Limited (7,000,000 shares of Singapore \$ 1 each (PY 7,000,000 shares))	10.35	10.35
Espex Batteries Limited (102,000 shares of GBP 1 each (PY 102,000 shares))	0.78	0.78
Associated battery Manufacturers (Ceylon) Ltd (3,896,640 shares of Sri Lankan Rupees 10 each (PY 3,896,640 shares))	7.31	7.31

**Non Trade  
UNQUOTED**
**DEBENTURES, FULLY PAID UP**

Woodlands Hospital and Medical Research Centre Ltd 1/2% Debentures (20 debentures of Rs. 100 each (PY 20 debentures))	— ^	—
5% Non-redeemable Registered Debentures (1 debenture of Rs. 6000 each (PY 1 debenture))	— ^	—

**EQUITY SHARES IN AN ASSOCIATE COMPANY**

ING Vysya Life Insurance Company Limited (732,441,500 shares of Rupees 10 each (PY 732,441,500 shares))	744.43	744.43
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**OTHERS**

Faering Capital (48,000 units of Rs. 1000 each (PY 30,000 units))	4.80	3.00
Haldia Integrated Development Agency Ltd (500,000 units of Rs. 10 each (PY 500,000 units))	0.50	0.50

**QUOTED**
**EQUITY SHARES, FULLY PAID UP**

Hathway Cable and Datacom Limited (1,092,566 shares of Rs. 10 each (PY 1,092,566))	26.22	26.22
---	-------	-------

- |  |        |        |
|--|--------|--------|
| (i) Aggregate value of unquoted investments -  | 880.33 | 848.56 |
| (ii) Aggregate value of quoted investments (Market value Rs 17.99 Cr<br>(PY Rs 10.67 Cr))  | 26.22  | 26.22  |
| (iii) Diminution, based on the net worth as per the latest audited accounts of the relevant company or market value,<br>in the value of certain long term unquoted/quoted investments as on the Balance Sheet date, being temporary<br>in nature, has not been provided for. |        |        |
| (iv) ^ Figures being less than Rs 50,000 in each case, has not been disclosed.   |        |        |

**14. LONG-TERM LOANS AND ADVANCES**
**Unsecured considered good**

a) Capital advances	5.22	18.49
b) Advances recoverable in cash or kind	0.46	0.49
c) Deposits - Others	8.71	9.01
d) Prepaid expenses	2.53	2.49
e) Loans and advances to others	0.01	0.01
f) Loans to employees	0.50	0.64
g) Loans and advances to related parties (refer note no 33)	0.08	0.07
	<b>17.51</b>	<b>31.20</b>

**15. OTHER NON-CURRENT ASSETS**
**Unsecured, Considered good unless stated otherwise**

a) Trade Receivable	0.89	0.31
	<b>0.89</b>	<b>0.31</b>

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

**16. CURRENT INVESTMENTS**
**Non Trade (Unquoted) (as lower of cost and fair value)**
**UNITS OF MUTUAL FUND**

ING Liquid Plus 2,81,44,632 units (23,58,77,382 units) of Rs 10	28.15	235.96
ING Liquid Plus 21,81,38,256 units (2,04,65,135 units) of Rs 10	218.24	20.47
Kotak Liquid Plus 2,49,78,973 units (2,50,51,599 units) of Rs 10	25.10	25.17
Templeton Liquid Plus 5,01,63,867 units (5,02,36,305 units) of Rs 10	50.22	50.30
DSP Liquid Plus (2,01,302 units of Rs 1000)	—	20.14

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
DSP Liquid 2,01,164 units of Rs 1000 (nil)	20.12	—
IDFC Liquid Plus 2,00,86,636 units (3,52,21,607 units) of Rs 10	20.09	35.23
Birla Liquid Plus 20,07,499 units of Rs 100 (2,51,54,407 units of Rs 10)	20.09	25.17
Birla Liquid 5,02,140 units of Rs 100 (nil)	5.03	—
HDFC Liquid Plus 3,01,11,394 units (1,00,86,189 units) of Rs 10	30.21	10.12
SBI Liquid Plus 2,01,148 units of Rs 1000 (1,01,10,808 units of Rs 10)	20.13	10.12
IDBI Liquid Plus 1,50,886 units of Rs 1000 (3,51,94,115 units of Rs 10)	15.09	35.19
Reliance Liquid Plus (1,00,796 units of Rs 1000)	—	10.09
DWS Liquid Plus 1,00,42,947 units of Rs 10 (nil)	10.06	—
BNP PARIBUS Liquid Plus 1,00,61,412 units of Rs 10 (nil)	10.07	—
Canara Robecco Liquid Plus 81,093 units of Rs 1000 (nil)	10.06	—
TATA Liquid Plus 1,50,36,297 units of Rs 10 (nil)	15.09	—
India Bulls Liquid 2,51,578 units of Rs 1000 (nil)	25.16	—
India Bulls Liquid Plus 2,51,272 units of Rs 1000 (nil)	25.16	—
<b>Non Trade (Quoted) (at lower of cost and fair value)</b>		
<b>UNITS OF MUTUAL FUND</b>		
TATA FMPS - 25 scheme B (1,00,61,400 units of Rs 10)	—	10.06
L&T FMP - III (Feb 90D A) (1,01,28,900 units of Rs 10)	—	10.13
UTI Qlty Interval Fund Plan V (50, 46, 269 units of Rs 10)	—	5.05
ICICI MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
SBI MF FMP 2,00,00,000 units of Rs 10 (nil)	20.00	—
UTI FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
RELIANCE FMP II 2,00,00,000 units of Rs 10 (nil)	20.00	—
DSPMR FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
LIC MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
HDFC MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
IDFC MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
	<b>648.07</b>	<b>503.20</b>
(i) Aggregate value of quoted investments (Market value Rs 100.99 crs (PY Rs 25.24 Crs))	100.00	25.24
(ii) Aggregate value of unquoted investments	548.07	477.96
<b>17. INVENTORIES</b>		
<b>(At Lower of cost and net realisable value)</b>		
a) Stores, spare parts, loose tools etc	22.73	18.25
b) Raw materials and components [Including in transit Rs. 49.93 cr (PY Rs. 51.14 cr)]	381.40	308.73
c) Work-in-progress	280.00	269.39
d) Finished goods	236.45	217.10
Add Excise Duty	46.26	35.67
	282.71	252.77
e) Trading Goods	1.28	9.80
	<b>968.12</b>	<b>858.94</b>
<b>18. TRADE RECEIVABLES (UNSECURED)</b>		
a) Debts overdue for a period exceeding six months		
Considered good	2.00	1.89
Doubtful	2.41	1.74
	4.41	3.63
Less:- Provision for doubtful debts	2.41	1.74
	<b>2.00</b>	<b>1.89</b>
b) Other Debts		
Considered good	400.30	364.33
	400.00	364.33
<b>Total</b>	<b>402.30</b>	<b>366.22</b>
(Refer Note no 33 for Related Party disclosure)		

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>19. CASH AND BANK BALANCE</b>		
<b>Cash and Cash Equivalents</b>		
a) Balances with banks on		
Current Account	43.93	11.86
Deposit having original maturity of three months or less	10.00	—
b) Cash in hand	0.20	0.18
c) Unpaid Dividend Account	3.54	2.70
	<u>57.67</u>	<u>14.74</u>
<b>20. SHORT-TERM LOANS AND ADVANCES</b>		
<b>i) Unsecured considered good</b>		
a) Advances recoverable in cash or kind	32.36	21.66
b) Prepaid expenses	2.33	1.81
c) Balances with Customs, Sales Tax & Excise Authorities	10.55	5.78
d) Advance Payment of Income Tax (net of Provisions)	44.66	29.20
e) Deposits - Others	5.43	4.63
f) Loans to employees	0.32	0.39
<b>ii) Unsecured considered doubtful</b>		
a) Advances recoverable in cash or kind	1.78	1.78
b) Balances with Customs, Sales Tax & Excise Authorities	1.93	1.62
c) Deposits - Others	0.10	0.10
	<u>99.46</u>	<u>66.97</u>
Less:- Provision for doubtful deposits and advances	3.81	3.50
	<u>95.65</u>	<u>63.47</u>
<b>21. OTHER CURRENT ASSETS</b>		
<b>Unsecured, Considered good unless stated otherwise</b>		
a) Interest accrued on deposit and others	0.09	—
b) Dividend receivable on investment in subsidiaries - long term	4.33	10.82
	<u>4.42</u>	<u>10.82</u>
<b>22. REVENUE FROM OPERATIONS</b>		
Sale of products		
Finished Goods	5,651.54	4,978.33
Traded Goods	16.98	61.98
	<u>5,668.52</u>	<u>5,040.31</u>
Less: Excise duty	561.48	492.98
	<u>5,107.04</u>	<u>4,547.33</u>

i) Sales are net of price adjustments for earlier years, settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax etc.

ii) Excise duty includes Rs. 23.03 crs (Rs. 18.82 crs) paid on batteries issued towards warranty claims.

**Details of products sold**
**Finished goods**

Storage batteries	5,638.65	4,978.33
Home UPS Systems	12.89	—
	<u>5,651.54</u>	<u>4,978.33</u>

**Traded goods**

Storage batteries	12.38	61.98
Home UPS Systems	4.60	—
	<u>16.98</u>	<u>61.98</u>



**23. OTHER INCOME**

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
Interest Income on		
Bank deposits	0.10	—
Others	0.36	0.30
Dividend Income on		
Long Term Investments in subsidiaries	29.05	49.47
Current investments	34.23	30.47
Net gain on sale of fixed assets	0.28	0.26
Gain on prepayment of sales tax loan*	—	20.65
Bad debt recovered	0.02	0.05
Other non-operating income	3.22	2.94
	<b>67.26</b>	<b>104.14</b>

\* Being gain arising on account of premature payment of deferred sales tax loan at Net Present Value (NPV) Scheme of the Government of Tamilnadu. The Company has been granted the above in terms of order no. 743/2011/A8 dated 29th March, 2011 issued by Joint Commissioner (CT), Chennai (East) Division.

**24. COST OF RAW MATERIAL AND COMPONENTS CONSUMED**

Opening Stock	308.73	262.16
Add: Purchases (including Processing charges, Procurement expenses etc, and after adjusting Cenvat Credits)	3,530.39	3,008.93
	<b>3,839.12</b>	<b>3,271.09</b>
Less: Closing Stock	381.40	308.73
	<b>3,457.72</b>	<b>2,962.36</b>
<b>Details of raw material and components consumed</b>		
Lead and Lead alloy	2,766.53	2,341.43
Others	691.19	620.93
	<b>3,457.72</b>	<b>2,962.36</b>

Materials consumed includes warranty costs Rs 106.56 crs (Rs 77.27 crs) and is net off export incentives Rs. 6.77 crs (Rs. 6.63 crs), and purchase tax set-off Rs. 0.49 crs (Rs Nil)

**25. INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS**

<b>Opening stock</b>		
Work-in-progress	269.39	152.02
Finished goods	217.10	153.93
Traded Goods	9.80	2.63
	<b>496.29</b>	<b>308.58</b>
<b>Closing Stock</b>		
Work-in-progress	280.00	269.39
Finished goods	236.45	217.10
Traded Goods	1.28	9.80
	<b>517.73</b>	<b>496.29</b>
Excise Duty on Finished Goods	(10.59)	(13.15)
	<b>(32.03)</b>	<b>(200.86)</b>
<b>Details of purchase of Traded Goods</b>		
Storage batteries	2.20	61.49
Home UPS Systems	5.10	—
	<b>7.30</b>	<b>61.49</b>
<b>Details of inventory - work in progress</b>		
Storage batteries	279.17	269.39
Home UPS Systems	0.83	—
	<b>280.00</b>	<b>269.39</b>

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>Details of inventory - Finished Goods</b>		
Storage batteries	232.17	217.10
Home UPS Systems	4.28	–
	<b>236.45</b>	<b>217.10</b>
<b>Details of inventory - Traded Goods</b>		
Storage batteries	0.47	9.80
Home UPS Systems	0.81	–
	<b>1.28</b>	<b>9.80</b>
<b>26. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	238.42	226.36
Contribution to provident and other funds (Refer Note 31)	15.37	24.68
Staff welfare expenses	32.42	31.81
	<b>286.21</b>	<b>282.85</b>
<b>27. FINANCE COSTS</b>		
Interest expenses	5.30	6.03
	<b>5.30</b>	<b>6.03</b>
<b>28. DEPRECIATION AND AMORTISATION</b>		
Depreciation of tangible assets	101.33	84.97
Amortisation of intangible assets	0.81	0.11
Less: Transfer from revaluation reserve	(1.46)	(1.62)
	<b>100.68</b>	<b>83.46</b>
<b>29. OTHER EXPENSES</b>		
Stores and spare parts consumed	48.86	45.97
Power and fuel	178.52	164.04
Battery Charging / Battery assembly expenses	65.73	43.00
Repairs and maintenance		
Buildings	5.58	5.91
Plant & machinery	20.62	18.92
Others	6.14	5.51
Rent & Hire Charges	14.47	12.86
Rates and taxes	1.65	1.61
Insurance	1.53	1.34
Commission	2.74	3.71
Royalty and Technical Aid Fees	11.64	7.02
Publicity and Sales Promotion	54.44	23.74
Freight & Forwarding (net)	136.95	126.78
Cash Discounts	43.59	40.18
After Sales Services	24.68	17.01
C & F Expenses	19.96	17.58
Travelling & Conveyance	14.53	13.79
Bank Charges	2.24	2.66
Communication Costs	5.24	5.64
Donations	0.31	0.11
Directors' Sitting Fees	0.03	0.03
Loss on Fixed assets sold/discarded	0.59	0.46
Auditors' Remuneration:		
As Auditors		
- For Statutory audit	0.39	0.33
- For Limited Reviews	0.25	0.22
- For Others	0.03	0.03
As Tax Auditors	0.05	0.05
Other Services	0.14	0.05
Out of pocket expenses	0.02	0.03
Net foreign exchange rate difference (Gain) / Loss	12.65	(21.74)
Miscellaneous expenses (refer Note 30)	30.38	26.07
	<b>703.95</b>	<b>562.91</b>

- i) The Company has a full-fledged Research and Development Center and it has thereby been able to considerably further its efficiency. During the year, a sum of Rs. 12.05 crs. (Rs. 9.76 crs), including capital expenditure Rs. 0.94 crs. (Rs. 1.09 crs), was spent on Research and Development work.
- ii) Stores and Spares consumed is exclusive of Rs. 0.46 crs (Rs 0.45 crs) being the amounts allocated to other heads of expenses.
- iii) Rent and Hire charges include Rs 0.54 crs (Rs. 0.62 crs) towards lease of residential apartments. These are cancellable leases, renewable by mutual agreement. Generally, there is no escalation clause and no other restrictions imposed by the lease arrangements. There are no sub-leases.

### 30. MISCELLANEOUS EXPENSES

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
Motor Vehicle Running Expenses	4.00	3.78
Consultancy & Services outsourced	7.77	6.86
Security Service Charges	5.50	4.41
General Expenses	0.52	0.79
Legal Expenses	2.81	1.39
Printing & Stationery	4.66	4.58
TQM Expenses	0.50	0.29
CSR Expenses	1.05	0.91
Pollution Control Expenses	1.56	1.49
Testing Charges	0.41	0.58
Liquidated Damages	0.63	0.45
Erection / Installation Costs	0.97	0.54
	<b>30.38</b>	<b>26.07</b>

### 31. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Company provides certain post-retirement medical benefits (PRMB) to the employees qualifying for such benefits under the scheme upto 31 March 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.

The Company has a Pension plan, a part of the liability whereof upto 31 March 2003 is in the nature of a defined benefit plan. From 1 April 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance company.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan. The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

	Rs Crores			Rs Crores		
	For the year ended 31st March 2012			For the year ended 31st March 2011		
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)		
<b>I. Expenses recognised in the Statement of Profit &amp; Loss Account</b>						
1. Current / Past Service Cost	3.33	–	0.09	6.29	–	0.07
2. Interest Cost	3.61	0.57	0.28	2.58	0.62	0.23
3. Expected Return on plan assets	4.07	0.75	–	3.12	0.94	–
4. Actuarial (Gains)/Losses	(1.18)	(0.37)	(0.30)	6.54	(0.67)	0.29
5. Total Expense	1.69	(0.55)	0.07	12.29	(0.99)	0.59
<b>II. Net Asset/(Liability) recognised in the Balance Sheet</b>						
1. Present Value of Defined Benefit Obligation	48.72	7.25	3.51	47.30	7.17	3.59
2. Fair Value of Plan Assets	49.68	8.65	–	44.91	9.51	–
3. Net Asset/(Liability)	0.96	1.40	(3.51)	(2.39)	2.34	(3.59)

		Rs. Crs.			Rs. Crs.		
		For the year ended 31st March 2012			For the year ended 31st March 2011		
		GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
		Plan (Benefit)			Plan (Benefit)		
<b>III. Change in Obligation during the year</b>							
1.	Present Value of Defined Benefit Obligation at the beginning of the year	47.30	7.17	3.59	37.12	9.59	3.11
2.	Current Service Cost / Plan amendments	3.33	–	0.09	6.29	–	0.07
3.	Interest Cost	3.61	0.57	0.28	2.58	0.62	0.23
4.	Benefits Paid	4.43	0.19	0.15	5.52	2.46	0.11
5.	Actuarial (Gains) / Losses	(1.09)	(0.30)	(0.30)	6.83	(0.58)	0.29
6.	Present Value of Defined Benefit Obligation at the end of the year	48.72	7.25	3.51	47.30	7.17	3.59
<b>IV. Change in the Fair Value of Plan Assets during the year</b>							
1.	Plan assets at the beginning of the year	44.91	9.51	–	36.52	13.01	–
2.	Expected return on plan assets	4.07	0.75	–	3.12	0.94	–
3.	Contribution by employer	5.05	(1.49)	0.15	10.49	(2.07)	0.11
4.	Actual Benefits Paid	4.43	0.19	0.15	5.52	2.46	0.11
5.	Actuarial Gains / (Losses)	0.08	0.07	–	0.30	0.09	–
6.	Plan assets at the end of the year	49.68	8.65	–	44.91	9.51	–
7.	Actual return on Plan Assets	4.15	0.82	–	3.42	1.03	–
<b>V.</b> In 2012-13 the Company expects to contribute Rs. 5.00 crs (Rs 5.00 crs) to gratuity and Rs 0.50 crs (Rs 1.00 crs) to Pension.							
<b>VI. The major categories of plan assets as a percentage of the fair value of total plan assets</b>							
Investments with insurer		100%	100%	–	100%	100%	–
<b>VII. Actuarial Assumptions</b>							
1.	Discount Rate	8.50% p.a (8.00%)					
2.	Expected rate of return on plan assets	9.00% p.a (9.00%)					
3.	Mortality pre retirement	Standard Table LIC (1994-96) Ultimate					
4.	Mortality Post retirement	Mortality for annuitants LIC (1996-98) Ultimate					
5.	Employee Turnover Rate	4.20% (4.60%)					
<b>VIII.</b> Healthcare cost trend rates have no effect on the amounts recognised in the profit and loss account, since the benefit is in the form of a fixed amount as per the various grades, which is not subject to change							
<b>IX.</b> 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							
<b>X.</b> Contribution to Provident and Other Funds includes Rs 14.94 crs (Rs 13.60 crs) paid towards Defined Contribution Plans							
Rs Crores							
<b>XI.</b> Amount for the current and previous four periods are as follows :		Year ended March 12	Year ended March 11	Year ended March 10	Year ended March 09	Year ended March 08	
1.	Gratuity						
	Defined Benefit Obligation	48.72	47.30	37.12	29.24	23.49	
	Plan Assets	49.68	44.91	36.52	29.36	24.37	
	Surplus / (deficit)	0.96	(2.39)	(0.60)	0.12	0.88	
	Experience Gain/(loss) adjustments on plan liabilities	(0.57)	(2.87)	(11.15)	(0.57)	0.66	
	Experience Gain/(loss) adjustments on plan assets	0.09	0.30	0.49	0.17	0.22	
2.	Pension						
	Defined Benefit Obligation	7.25	7.17	9.59	9.42	8.67	
	Plan Assets	8.65	9.51	13.01	12.53	12.35	
	Surplus / (deficit)	1.40	2.34	3.42	3.11	3.68	
	Experience Gain/(loss) adjustments on plan liabilities	0.19	0.61	(0.03)	(0.39)	(2.43)	
	Experience Gain/(loss) adjustments on plan assets	0.07	0.09	0.33	0.20	0.14	
3.	Post Retirement Medical Benefit						
	Defined Benefit Obligation	3.51	3.59	3.11	2.47	2.11	
	Experience Gain/(loss) adjustments on plan liabilities	0.16	(0.55)	(0.75)	(0.01)	0.05	

**32.SEGMENT REPORTING**

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

**Geographical Segments**

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

(Rs. In Crores)

<b>Year ended 31st March 2012</b>			
<b>Particulars</b>	<b>India</b>	<b>Overseas</b>	<b>Total</b>
Revenue (Gross Sale)	5,483.54	184.98	5,668.52
Carrying Amount:			
Tangible assets	2,496.64	31.31	2,527.95
Intangible assets	11.80	–	11.80
Additions:			
Tangible assets	182.56		182.56
Intangible assets	0.91		0.91
<b>Year ended 31st March 2011</b>			
<b>Particulars</b>	<b>India</b>	<b>Overseas</b>	<b>Total</b>
Revenue (Gross Sale)	4,901.29	139.02	5,040.31
Carrying Amount:			
Tangible assets	2,191.16	37.24	2,228.40
Intangible assets	0.62	–	0.62
Additions:			
Tangible assets	285.68	–	285.68
Intangible assets	0.73	–	0.73

**33. RELATED PARTY DISCLOSURE:**

i) Particulars of related parties :

1. Subsidiaries

Chloride Batteries S.E. Asia Pte. Limited, Singapore (CBSEA)  
Chloride International Limited (CIL)  
Chloride Power Systems & Solutions Limited (CPSSL - Formerly known as Caldyne Automatics Limited)  
Espex Batteries Limited, UK (Espex)  
Associated Battery Manufacturers (Ceylon) Ltd., Sri Lanka (ABML)  
Chloride Metals Limited (CML-Formerly Tandon Metals Limited)  
Chloride Alloys India Limited (CAIL - Formerly Leadage Alloys India Limited)  
Exide Batteries (Pvt) Limited (Subsidiary of CBSEA)

2. Associate Companies

ING VYSYA Life Insurance Company Limited (IVL)

3. Enterprise/Individuals having a direct or indirect control over the Company

Chloride Eastern Limited, UK. (CEL)  
Chloride Eastern Industries Pte Limited, Singapore (CEIL)  
LIEC Holdings SA, Switzerland  
Mr. S B Raheja

4. Key Management Personnel  
(As on 31st March, 2012)

Mr. T V Ramanathan  
Mr. G Chatterjee  
Mr. P K Katakya  
Mr. A K Mukherjee  
Mr. Nadeem Kazim  
Mr. Supriya Coomer

5. Name of the Companies/firms/  
in which Directors/Key Management  
Personnel have significant influence  
with whom transactions have happened  
during the year.

Nil



### 33. RELATED PARTY DISCLOSURE (CONTD.)

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

(Rs. In Crores)

	Subsidiaries		Associate Companies		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2012
Purchases of goods									
– CIL	0.03 (0.03)	– –	– –	– –	– –	– –	– –	0.03 (0.03)	– –
– ABML	1.11 (0.24)	– –	– –	– –	– –	– –	– –	1.11 (0.24)	– –
– Chloride Metals	506.26 (437.64)	6.12 –	– –	– –	– –	– –	– –	506.26 (437.64)	6.12 –
– Chloride Alloys	953.61 (830.89)	18.37 (5.12)	– –	– –	– –	– –	– –	953.61 (830.89)	18.37 (5.12)
– C B S E A	– (0.01)	– –	– –	– –	– –	– –	– –	– (0.01)	– –
– CPSSL	5.53 (3.66)	0.19 (0.15)	– –	– –	– –	– –	– –	5.53 (3.66)	0.19 (0.15)
– Total	<b>1,466.54</b> <b>(1,272.47)</b>	<b>24.68</b> <b>(5.27)</b>	– –	– –	– –	– –	– –	<b>1,466.54</b> <b>(1,272.47)</b>	<b>24.68</b> <b>(5.27)</b>
Sale of goods									
– CBSEA	62.81 (43.96)	10.56 (8.57)	– –	– –	– –	– –	– –	62.81 (43.96)	10.56 (8.57)
– CPSSL	38.56 (22.37)	9.82 (6.88)	– –	– –	– –	– –	– –	38.56 (22.37)	9.82 (6.88)
– Espex	26.86 (32.53)	7.78 (15.76)	– –	– –	– –	– –	– –	26.86 (32.53)	7.78 (15.76)
– Chloride Metals	147.58 (126.17)	22.01 (18.88)	– –	– –	– –	– –	– –	147.58 (126.17)	22.01 (18.88)
– Chloride Alloys	180.57 (144.52)	23.08 (17.50)	– –	– –	– –	– –	– –	180.57 (144.52)	23.08 (17.50)
– CIL	– (6.11)	– (0.40)	– –	– –	– –	– –	– –	– (6.11)	– (0.40)
– Total	<b>456.38</b> <b>(375.66)</b>	<b>73.25</b> <b>(67.99)</b>	– –	– –	– –	– –	– –	<b>456.38</b> <b>(375.66)</b>	<b>73.25</b> <b>(67.99)</b>
Cost of management services recovered									
– CIL	0.04 (0.04)	– (0.01)	– –	– –	– –	– –	– –	0.04 (0.04)	– –
Rent and Maintenance Costs									
– CIL	0.33 (0.33)	– –	– –	– –	– –	– –	– –	0.33 (0.33)	– –
Employee Welfare Expenses									
– IVL	– –	– –	0.43 (0.45)	– –	– –	– –	– –	0.43 (0.45)	– –
Rights Issue of Shares									
– IVL	– –	– –	– (118.70)	– –	– –	– –	– –	– (118.70)	– –
– CML	– –	– –	9.65 –	– –	– –	– –	– –	9.65 –	– –
– CAIL	– –	– –	20.32 (20.64)	– –	– –	– –	– –	20.32 (20.64)	– –
Dividend Income									
– CIL	– (0.23)	– –	– –	– –	– –	– –	– –	– (0.23)	– –
– ABML	2.77 (1.32)	0.91 –	– –	– –	– –	– –	– –	2.77 (1.32)	0.91 –
– CBSEA	5.41 –	1.93 –	– –	– –	– –	– –	– –	5.41 –	1.93 –
– Chloride Alloys	14.04 (28.31)	– (4.68)	– –	– –	– –	– –	– –	14.04 (28.31)	– (4.68)
– Chloride Metals	5.35 (18.71)	– (5.35)	– –	– –	– –	– –	– –	5.35 (18.71)	– (5.35)
– Espex	– (0.11)	– –	– –	– –	– –	– –	– –	– (0.11)	– –
– CPSSL	1.49 (0.79)	1.49 (0.79)	– –	– –	– –	– –	– –	1.49 (0.79)	1.49 (0.79)
– Total	<b>29.06</b> <b>(49.47)</b>	<b>4.33</b> <b>(10.82)</b>	– –	– –	– –	– –	– –	<b>29.06</b> <b>(49.47)</b>	<b>4.33</b> <b>(10.82)</b>

### 33. RELATED PARTY DISCLOSURE (CONTD.)

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

(Rs. In Crores)

	Subsidiaries		Associate Companies		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Total	
	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2012
Technical Assistance Expenses – CEIL	–	–	–	–	0.11 (0.05)	–	–	0.11 (0.05)	–
Technical Assistance Income – ABML	0.35 (0.32)	0.09 (0.08)	–	–	–	–	–	0.35 (0.32)	0.09 (0.08)
Loans Given – ESPEX #	–	0.08 (0.07)	–	–	–	–	–	–	0.08 (0.07)
Interest Income – ESPEX	0.01 (0.01)	0.01 –	–	–	–	–	–	0.01 (0.01)	0.01 –
Remuneration to Directors	–	–	–	–	–	–	6.65* (5.10)	6.65 (5.10)	2.53 (1.75)
to Others	–	–	–	–	–	–	0.42 (0.76)	0.42 (0.76)	–
– Total	–	–	–	–	–	–	7.07 (5.86)	7.07 (5.86)	2.53 (1.75)

Notes: (1) Dividend amounting to Rs 23.46 crs was paid for the year 2010-11 final (Rs 15.64 crs for the year 2009-10 final) and Rs 35.19 crs for Interim Dividend 2011-12 (Rs 35.19 crs for Interim Dividend 2010-11) to Chloride Eastern Limited, UK.

\* Details furnished in Corporate Governance Report.

# Represents GBP 10,000 Loan with interest at GBP LIBOR plus 100 basis points, without any repayment schedule. Maximum amount outstanding during the year Rs 0.08 crs (Rs 0.07 crs).

### 34. EARNINGS PER SHARE (EPS)

Details for calculation of basic and diluted earning per share:

Profit after tax as per Statement of Profit and Loss

Weighted average number of equity share (Numbers)

Basic and diluted earning per share (Rs.)

### 35. UNHEDGED FOREIGN CURRENCY EXPOSURE

Trade Receivables

Loans given to an overseas subsidiaries

Investments in overseas subsidiaries

Dividend and Technical fees receivable

Trade Payables

### 36. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Principal amount due

Interest due on above

Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006

Amount of interest due and payable for the period of delay

Amount of interest accrued and remaining unpaid as at year end

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

March 31, 2012  
(Rs. In Crores)

March 31, 2011  
(Rs. In Crores)

461.17  
850,000,000  
5.42

666.36  
850,000,000  
7.84

27.73  
0.08  
18.43  
2.93  
112.79  
161.96

37.09  
0.07  
18.43  
0.08  
113.60  
169.27

6.77  
0.01  
–  
0.01  
0.02  
–

5.29  
0.01  
–  
0.01  
0.03  
–

**37. UTILISATION OF MONEY RAISED THROUGH PRIVATE PLACEMENT**

During the financial year 2009-10, the Company had raised Rs 529.91 crores (net) by issuing shares to Qualified Institutional Buyers to generate funds for its capital expenditure, acquisitions and for general corporate purposes. Entire amount of Rs 529.91 crs (Rs 295.88 crores) has been used for the stated purpose and unutilised balance as at 31st March, 2012 is Rs Nil (Rs 234.03 crs).

**38. EXCEPTIONAL ITEMS**

Gain on transfer of land no longer in use

**39. CAPITAL AND OTHER COMMITMENTS**

Commitment for acquisition of fixed assets

Commitment for investment

Other Commitments

\* Payable over a period of next five years.

**40. CONTINGENT LIABILITIES**

Outstanding Bank Guarantees / Indemnity Bonds

Sales Tax demands

Excise Duty demands

Service Tax demands

Income Tax demands

Other claims being disputed by the Company

Claim from a landlord, an appeal whereby is pending in Hon'ble Bombay High Court

March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
—	46.93
53.71	100.40
15.20	17.00
27.00 *	—
<u>95.91</u>	<u>117.40</u>
15.93	13.34
1.53	1.98
33.77 *	0.88
0.77	—
6.50	2.50
0.45	0.45
Not Ascertainable	Not Ascertainable
<u>58.95</u>	<u>19.15</u>

\* Includes a Demand of Rs 32.60 crs plus penalties, as applicable, for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries. The Company has contested this demand largely on grounds of non-applicability of The Standards of Weights & Measures Act, 1976 and Rules thereunder, the applicability of which is still to be adjudicated by the Hon'ble Supreme Court. Pending the adjudication, the demand has been treated as Contingent Liability in these Financial Statements.

**41. VALUE OF RAW MATERIALS AND COMPONENTS CONSUMED**

Imported - 19.0% (PY 18.3%)

Indigenous - 81.0% (PY 81.7%)

**42. VALUE OF STORES AND SPARE PARTS CONSUMED**

Imported - 15.7% (PY 14.5%)

Indigenous - 84.3% (PY 85.5%)

**43. VALUE OF IMPORTS (C.I.F BASIS)**

Raw Materials and Components

Trading Items

Spare Parts

Capital Goods

657.07	539.71
<u>2,800.65</u>	<u>2,407.19</u>
<u>3,457.72</u>	<u>2,946.90</u>
7.65	6.67
<u>41.21</u>	<u>39.30</u>
<u>48.86</u>	<u>45.97</u>
724.78	539.42
2.28	46.69
12.62	15.91
<u>91.50</u>	<u>93.05</u>
<u>831.18</u>	<u>695.07</u>

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>44. INCOME &amp; EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)</b>		
<b>Income</b>		
Export (f.o.b. value)	184.98	139.02
Dividend	8.18	1.43
Technical Assistance Fee	0.35	0.32
<b>Expenditure</b>		
Royalty	10.21	6.51
Technical Assistance Fee	0.49	0.51
Others	2.11	4.78
<b>45. REMITTANCE IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDENDS TO NON-RESIDENT SHAREHOLDERS</b>		
Number of Shareholders	1	1
Number of Shares held	390,954,666	390,954,666
Net amount of dividend remitted (Rs. Crores)	58.65	50.83
Amount remitted for	2010-11 and 2011-12 (interim)	2009-10 and 2010-11 (interim)

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

As per our report of even date.

S. R. Batliboi & Co.  
Registration Number: 301003E  
Chartered Accountants

Per Sanjoy K. Gupta  
a Partner  
Membership No. 54968  
Mumbai, 30 April, 2012

S. Coomer  
Secretary

As Approved,  
For and on behalf of the Board of Directors

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

# INFORMATION REGARDING SUBSIDIARY COMPANIES

## PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of Subsidiary Companies	Holding Company's interest	Net Aggregate amount of Subsidiary Company's profit not dealt with in the Company's Account		Net Aggregate amount of Subsidiary Company's profit dealt with in the Company's Account	
		For the Subsidiary Company's Financial period ended 31.03.2012	For the Subsidiary Company's Financial previous years	For the Subsidiary Company's Financial period ended 31.03.2012	For the Subsidiary Company's Financial previous years
Chloride International Limited	Holder of entire issued Share Capital of 4,50,000 Equity Shares of Rs. 10/- each	* Rs. 776,246	* Rs. 52,155,694	* Rs. Nil	* Rs. 56,654,218
Chloride Power Systems & Solutions Limited (Formerly, Caldyne Automatics Limited)	Holder of entire issued Share Capital of 19,80,000 Equity Shares of Rs. 10/- each	* Rs. 15,061,415	* Rs. 18,329,640	* Rs. 14,850,000	* Rs. 16,115,400
Chloride Metals Limited (Formerly, Tandon Metals Limited)	Holder of entire issued Share Capital of 15,00,000 Equity Shares of Rs. 10/- each	* Rs. 22,517,120	* Rs. 84,107,194	* Rs. 53,461,000	* Rs. 200,478,750
Chloride Alloys India Limited (Formerly, Leadage Alloys India Limited)	Holder of entire issued Share Capital of 25,00,000 Equity Shares of Rs. 10/- each	* (Rs. 82,722,092)	* Rs. 191,823,638	* Rs. 140,400,000	* Rs. 307,008,000
Chloride Batteries S.E. Asia Pte Limited	Holder of entire issued Share Capital of 7,000,000 Ordinary Shares	** (\$S 224,400)	** \$S 1,665,967	** \$S 1,460,475	** \$S Nil
Espex Batteries Limited	Holder of 102,000 Ordinary Shares out of issued Share Capital of 200,004 Ordinary Shares of GBP 1 each	*** GBP 115,042	*** GBP 106,426	*** GBP Nil	*** GBP 20,400
Associated Battery Manufacturers (Ceylon) Limited	Holder of 3,896,640 Ordinary Shares out of issued Share Capital of 6,336,000 Ordinary Shares of Sri Lankan Rs 10 each	****SLR 11,699,492	****SLR 215,401,859	**** SLR 70,139,520	****SLR 145,268,640

\* In India rupee

\*\* In Singapore dollars

\*\*\* In GBP

\*\*\*\* In Sri Lankan Rupee

### Notes:

- On 31 March 2012, all the 4,50,000 Equity Shares issued by Chloride International Limited were held by Exide Industries Limited and its nominees. All these shares were acquired by Exide Industries Limited from Chloride Eastern Limited of which it was a Subsidiary.
- On 31 March 2012, all the 1,980,000 Equity Shares issued by Chloride Power Systems & Solutions Limited were held by Exide Industries Limited and its nominees. Out of this 91,800 shares were acquired effective 12 July, 1999, 88,200 Equity Shares were acquired effective 25 July, 2007 and the balance 1,800,000 Equity Shares were allotted as bonus effective 14 July, 2008.
- On 31 March 2012, all the 15,00,000 Equity Shares issued by Chloride Metals Limited were held by Exide Industries Limited and its nominees. Out of this 2,401,100 shares were acquired effective 1 November, 2007, 2,945,000 Equity Shares were acquired effective 31 March, 2008, and the balance 9,653,900 Equity Shares were allotted as Rights Shares effective 15 December, 2011.
- On 31 March 2012, all the 25,00,000 Equity Shares issued by Chloride Alloys India Limited were held by Exide Industries Limited and its nominees. Out of this 2,386,800 shares were acquired effective 1 April, 2008, 2,293,200 Equity Shares were acquired effective 12 August, 2010, and the balance 20,320,000 Equity Shares were allotted as Rights Shares effective 15 December, 2011.
- On 31 March 2012, all the 7,000,000 Ordinary Shares issued by Chloride Batteries S.E. Asia Pte Limited were held by Exide Industries Limited. All these shares were acquired effective 12 February, 2001.
- On 31 March 2012, of the 200,004 Ordinary Shares issued by Espex Batteries Limited, 102,000 Ordinary Shares were held by Exide Industries Limited. All these shares were acquired effective 1 May, 2003.
- On 31 March 2012, of the 6,336,000 Ordinary Shares issued by Associated Battery Manufacturers (Ceylon) Limited, 3,896,640 Ordinary Shares were held by Exide Industries Limited. Out of this 3,104,640 shares were acquired effective 11 January, 2001 and balance 792,000 Ordinary Shares were acquired effective 9 August, 2004.

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

Mumbai, 30 April, 2012

S. Coomer  
Secretary



## AUDITOR'S REPORT

### To The Board Of Directors Exide Industries Limited

We have audited the attached consolidated balance sheet of Exide Industries Limited and its subsidiaries (the Group), as at 31st March 2012, and also the consolidated statement of profit and loss and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Exide Industries Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 458.13 crores as at 31st March 2012, the total revenue of Rs. 1,627.63 crores and cash flows amounting to Rs. 2.97 crores for the year then ended. We also did not audit the financial statements of the associate Company for the year ended March 31, 2012 whose share of loss attributable to the Group is Rs 15.58 crores for the year. These financial statements and other

financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the Exide Industries Limited's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended).

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31st March 2012;
- (b) in the case of the consolidated statement of profit and loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

**For S.R. BATLIBOI & CO.**  
**Firm Registration Number: 301003E**  
**Chartered Accountants**

per Sanjoy K. Gupta

Partner

Place : Mumbai

Date : 30 April, 2012

Membership No.: 54968

# EXIDE INDUSTRIES LIMITED

## EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2012

Particulars	Note No.	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>I EQUITY AND LIABILITIES</b>			
1) <b>SHAREHOLDERS' FUND</b>			
a) Share Capital	2	85.00	85.00
b) Reserve & Surplus	3	2,602.35	2,300.08
		<b>2,687.35</b>	<b>2,385.08</b>
2) Minority Interest	4	12.50	10.70
3) <b>NON-CURRENT LIABILITIES</b>			
a) Long Term Borrowings	5	2.58	8.02
b) Deferred tax liabilities (Net)	6	87.02	70.88
c) Other Long term liabilities	7	4.39	3.51
d) Long-term provisions	8	57.08	49.30
		<b>151.07</b>	<b>131.71</b>
4) <b>CURRENT LIABILITIES</b>			
a) Short-term borrowings	9	24.52	92.91
b) Trade payables	10	689.82	641.41
c) Other current liabilities	11	244.75	203.93
d) Short-term provisions	12	115.82	97.61
		<b>1,074.91</b>	<b>1,035.86</b>
<b>TOTAL</b>		<b>3,925.83</b>	<b>3,563.35</b>
<b>II ASSETS</b>			
1) <b>NON-CURRENT ASSETS</b>			
a) Fixed Assets			
i) Tangible assets	13	1,045.55	919.97
ii) Intangible assets	14	58.69	47.59
iii) Capital work-in-progress		27.39	51.81
b) Non-current investments	15	344.38	358.12
c) Deferred Tax Assets (Net)	16	0.15	0.39
d) Long-term loans and advances	17	18.41	32.32
e) Other non-current assets	18	1.10	0.73
		<b>1,495.67</b>	<b>1,410.93</b>
2) <b>CURRENT ASSETS</b>			
a) Current Investments	19	649.07	503.20
b) Inventories	20	1,160.71	1,134.31
c) Trade receivables	21	426.05	373.46
d) Cash and bank balances	22	62.79	22.83
e) Short-term loans and advances	23	131.33	118.57
f) Other current assets	24	0.21	0.05
		<b>2,430.16</b>	<b>2,152.42</b>
<b>TOTAL</b>		<b>3,925.83</b>	<b>3,563.35</b>
Significant accounting policies	1		

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

For and on behalf of the Board of Directors

S. R. Batliboi & Co.  
Registration Number: 301003E  
Chartered Accountants  
Per Sanjoy K. Gupta  
a Partner  
Membership No. 54968  
Mumbai, 30 April, 2012

S. Coomer  
Secretary

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

EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Note No.	2011-12 (Rs. in Crores)	2010-11 (Rs. in Crores)
<b>INCOME:</b>			
I) <b>Revenue from operations (Gross)</b>	25	5,882.31	5,261.06
Less: Excise Duty		563.64	494.98
<b>Revenue from operations (Net)</b>		5,318.67	4,766.08
II) <b>Other income</b>	26	41.46	55.70
III) <b>Total Revenue</b>		<b>5,360.13</b>	<b>4,821.78</b>
IV) <b>EXPENSES:</b>			
Cost of raw material and components consumed	27	3,467.88	2,936.54
Purchase of traded goods		49.85	112.17
Increase in inventories of finished goods, work-in-progress and trading goods	28	(56.89)	(181.09)
Employees benefit expenses	29	330.38	320.97
Finance costs	30	14.91	11.67
Depreciation and amortisation expenses	31	108.37	89.59
Other expenses	32	783.00	621.84
<b>Total expenses</b>		<b>4,697.50</b>	<b>3,911.69</b>
V) <b>Profit before Exceptional Items and Tax</b>		<b>662.63</b>	<b>910.09</b>
Exceptional Item	43	—	46.93
VI) <b>Profit before tax</b>		<b>662.63</b>	<b>957.02</b>
VII) <b>Tax expenses:</b>			
1. Current tax (Net of excess provision of earlier years Rs 4.37 crs. (PY charge Rs 6.35 Crs))		182.04	288.03
2. Deferred tax		15.90	9.47
		<b>197.94</b>	<b>297.50</b>
VIII) <b>Profit for the Year</b>		<b>464.69</b>	<b>659.52</b>
IX) Less: Share of Loss of Associate Company		15.58	35.04
X) Less: Minority Interest		3.05	5.66
XI) <b>Net profit after taxes, minority interest and share of loss of Associate companies</b>		<b>446.06</b>	<b>618.82</b>
Earnings per share - Basic and Diluted (Nominal value Re 1 per share (PY Re 1 per share))		5.25	7.28
Significant accounting policies	1		

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

For and on behalf of the Board of Directors

S. R. Batliboi & Co.  
Registration Number: 301003E  
Chartered Accountants  
Per Sanjoy K. Gupta  
a Partner  
Membership No. 54968  
Mumbai, 30 April, 2012

S. Coomer  
Secretary

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

**EXIDE INDUSTRIES LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED CASH FLOW STATEMENT**
**FOR THE YEAR ENDED 31ST MARCH 2012**

	<b>2011-2012</b>		<b>2010-2011</b>	
	<b>(Rs. In Crores)</b>	<b>(Rs. In Crores)</b>	<b>(Rs. In Crores)</b>	<b>(Rs. In Crores)</b>
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before tax		662.63		957.02
Adjustment for :				
Depreciation	108.37		89.59	
Exceptional Item	—		(46.93)	
Profit on Fixed Assets sold	(0.46)		(0.35)	
Loss on Fixed Assets sold / discarded	0.65		0.94	
Gain on Prepayment of Sales Tax Loan	—		(20.65)	
Dividend Income	(34.23)		(30.47)	
Interest Expense	14.91		11.67	
Interest Income	(0.54)		(0.42)	
		88.70		3.38
Operating profit before working capital changes		751.33		960.40
(Increase)/Decrease in Trade Receivables (net of provision)	(53.40)		(75.86)	
(Increase)/Decrease in Inventories	(26.73)		(337.46)	
(Increase)/Decrease in Loans & Advances	8.57		(32.96)	
Increase/(Decrease) in Current Liabilities	122.86	51.30	236.72	(209.56)
Cash generation from operations		802.63		750.84
Direct Taxes Paid (net of refund)		(200.29)		(303.12)
Net Cash from operating activities		602.34		447.72
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(210.45)		(294.88)	
Sale of Fixed Assets	1.03		59.74	
Acquisition of Business	(17.33)		—	
Sale of Shares	—		2.40	
Acquisition of Shares	(1.80)		(142.34)	
Purchase of Mutual Fund units	(2,062.00)		(1,405.00)	
Sale of Mutual Fund units	1,917.00		1,505.00	
Investment with Bank	(1.00)		—	
Interest Received	0.50		0.39	
Dividend received	34.36		30.20	
Net Cash used in investing activities		(339.69)		(244.49)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from Long Term Borrowings	—		51.32	
Repayment of Long Term Borrowings	(3.08)		(67.14)	
Net increase/(decrease) in other borrowings	(68.40)		(34.07)	
Share issue expenses	—		(0.19)	
Dividends Paid (including tax)	(143.26)		(152.77)	
Interest Paid	(14.63)		(11.55)	
Net Cash used in financing activities		(229.37)		(214.40)
Net Increase / (Decrease) in cash and cash equivalents		33.28		(11.17)
Effect of Foreign Currency Translation		6.68		3.86
Cash and cash equivalents as at 1 April 2011#		22.83		30.14
Cash and cash equivalents as at 31 March 2012#		62.79*		22.83

# as disclosed in Note 22

\* Includes Rs. 3.54 crs (Rs. 2.70 crs) lying in Unclaimed Dividend Account, being the amount available for restricted use.

As per our report of even date.

S. R. Batliboi & Co.  
Firm Registration Number 301003E  
Chartered Accountants  
Per Sanjoy K. Gupta  
a Partner  
Membership No. 54968  
Mumbai, 30 April, 2012

For and on behalf of the Board of Directors

S. Coomer  
Secretary

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST MARCH 2012

### 1 Summary of significant accounting policies

#### a. Basis of Preparation

The consolidated financial statements comprising of the financial statements of Exide Industries Ltd. (EIL) and its subsidiaries have been prepared under the Historical Cost Convention modified by revaluation of fixed assets. The consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956, except for the foreign subsidiaries Chloride Batteries S.E. Asia Pte Ltd. (CBSEA), Espex Batteries Limited (ESPEX) and Associated Battery Manufacturers (Ceylon) Ltd. (ABML) whose accounts have been prepared under 'Singapore Financial Reporting Standards', 'Financial Reporting Standards for smaller entities, UK', and Sri Lanka Accounting Standards (SLAS) respectively but suitably modified to conform to the uniform accounting policies. For recognition of Income and expenses, Mercantile System of Accounting is followed.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year except during the year ended 31st March 2012, the Revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified the previous years figures to confirm to this years classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of Balance Sheet.

#### b. Use of estimates

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

#### c. Revenue Recognition

##### Sale of Goods

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

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

##### Interest

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

##### Dividends

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

#### d. Fixed Assets

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

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

#### e. Investments

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



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

**f. Depreciation and Amortisation**

- i) The classification of plant & machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.
- ii) a) Depreciation is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except for the certain assets of EIL and the entire assets of foreign subsidiaries (CBSEA, ESPEX and ABML), where depreciation is provided with reference to the useful economic lives of the respective assets. Further, in respect of certain assets at EIL whose residual economic life, as determined by the approved valuer, is less than the residual life as per the books, depreciation is provided at the adjusted higher rates so that the value thereof is written off over the economic life determined by the valuer.
- b) Based upon their respective useful economic life, depreciation on the following assets is provided at a rate higher than those specified in Schedule - XIV of the Companies Act 1956:

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

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

c. At CBSEA, the useful life of the assets is estimated as follows:	
Plant & Machinery	10 years
Motor Vehicles	05 years
Furniture, Fittings, Office Equipment	03 to 10 years

d. At ESPEX, the useful life of the assets is estimated as follows:	
Plant & Machinery	10 years, 5 years & 3 years
Motor Vehicles	04 years

- d) The Company has estimated the residual value of Plant & Machinery, moulds and computers to be 2% of the cost as against 5% specified in Section 205 (2)(c) of the Companies Act, 1956. Accordingly, 98% of the value of fixed assets is being depreciated in the accounts.
- iii) Depreciation includes amount written off in respect of leasehold properties over the respective lease period.
- iv) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/disposal.
- v) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**g. Intangible Assets**

**Research and Development Costs**

- i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalised forward when its future recoverability can reasonably be regarded as assured. Any

expenditure capitalised is amortised over the period of expected future sales from the related project, not exceeding ten years.

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

- ii) Acquired computer software and licenses are capitalised on the basis of costs incurred to bring the specific intangibles to its intended use. These cost are amortised on a straight-line basis over their estimated useful life of five years.
- iii) Acquired Goodwill is amortised on a straight-line basis over a period of five years and also tested for impairment every year. The carrying amount of goodwill arising on consolidation is reviewed at each balance sheet date to determine if there is any indication of impairment based on external / internal factors.

**h. Expenditure on new projects and substantial expansion**

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

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

**i. Borrowing Costs**

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

**j. Leases:**

**i) Finance lease:**

- a) Assets given under a finance lease are recognized as receivables at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest as per the IRR method. The principal amount received reduces the net investment in the lease and interest is recognized as revenue. Initial direct costs such as legal charges, brokerage etc are recognized immediately in the statement of Profit & Loss Account.
- b) Assets acquired under finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.
- c) A leased asset is depreciated on a straight line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

**ii) Operating leases:**

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

**k. Foreign Currency Transactions**

**i) Initial Recognition**

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

**ii) Conversion**

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

**iii) Exchange Differences**

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

**iv) Forward Exchange Contracts**

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

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

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

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

**l. Earning per share**

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

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

**m. Inventories**

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

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

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

**n. Excise Duty**

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

**o. Retirement and other employee benefits**

i) Retirement Benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective trusts. CBSEA participates in the national pension schemes as defined by the laws of Singapore and makes contributions to the Central Provident fund scheme in Singapore.

- ii) Gratuity liability and Post Employment Medical Benefit liability are defined benefit obligations and where material, are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Long term compensated absences are provided for based on an actuarial valuation made at the end of each financial year, while Short term compensated absences are provided for based on management estimates.
- iv) Payments made under the Voluntary Retirement Scheme are charged to the statement of Profit and Loss account.
- v) Pension liability is split into a defined benefit portion and a defined contribution portion as indicated in note no. 35. The contributions towards defined contribution are charged to the statement of Profit and Loss account of the year when the contribution becomes due. The defined benefit portion is provided for on the basis of an actuarial valuation made at the end of each financial year.
- vi) Actuarial gains/losses are immediately taken to statement of profit and loss account and are not deferred.
- vii) The current and non-current bifurcation is done as per Actuarial report.

**p. Segment reporting**

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

**q. Taxation**

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

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

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

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

**r. Provision**

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

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

**s. Contingent Liabilities**

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

**t. Cash and cash equivalents**

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

**u. Principles of consolidation of financial statements:**

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

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

Name	Country of Incorporation	% of ownership interest as on March 31, 2012
Chloride International Limited (CIL)	India	100
Chloride Power Systems & Solutions Ltd. (CPSSL) (Formerly Caldyne Automatics Ltd.)	India	100
Chloride Batteries S.E. Asia Pte Ltd. (CBSEA) & its wholly owned subsidiary (Exide Batteries Pvt. Ltd.)	Singapore	100
Espex Batteries Limited (ESPEX)	UK	51
Associated Battery Manufacturers (Ceylon) Ltd. (ABML)	Srilanka	61.50
Chloride Metals Ltd. (CML) (Formerly Tandon Metals Ltd.)	India	100
Chloride Alloys India Ltd. (CAIL) (Formerly Leadage Alloys India Ltd.)	India	100

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

**v. Minority Interest**

In terms of Accounting Standard 21, the minority interest has been computed in respect of Espex Batteries Limited and Associated Battery Manufacturers (Ceylon) Limited, both non-fully owned subsidiaries.

**w. Investments in Associates**

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

- i. An associate company is a company, not being a subsidiary, in which EIL holds, directly or indirectly through subsidiaries, 20% or more of the voting power of the investee.
- ii. The investments in associates are accounted for under the 'Equity Method'.
- iii. The excess / shortfall of cost to the company of its investments in the associates is disclosed in the financial statements as goodwill / capital reserve.
- iv. The 'associate' considered in the financial statements are as follows:

Name	Country of Incorporation	% of Voting power as on March 31, 2012
ING Vysya Life Insurance Company Ltd.	India	50



PARTICULARS	March 31, 2012 (Rs. in Crores)	March 31, 2011 (Rs. in Crores)
<b>2. SHARE CAPITAL</b>		
<b>a) Authorised</b>		
1,000,000,000 Equity Shares (PY: 1,000,000,000) of Re 1 each	100.00	100.00
	<u>100.00</u>	<u>100.00</u>
<b>b) Issued, Subscribed &amp; fully paid-up</b>	85.00	85.00
850,000,000 Equity Shares (PY: 850,000,000) of Re 1 each	<u>85.00</u>	<u>85.00</u>

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

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

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

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

During the year ended 31st March 2012, the amount of per share Dividend recognised as distributions to equity shareholders was Rs 1.50 (PY Rs 1.50 per share)

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

Name of Shareholder

Chloride Eastern Limited, UK holding 45.99% (PY: 45.99%)

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

	31st March, 2012	31st March, 2011
<b>Number of Shares</b>		
	390,954,666	390,954,666

**3. RESERVES & SURPLUS**

**a) Revaluation Reserve**

Balance as per Last Account

44.51

48.17

Less: Adjusted towards assets sold / discarded

0.12

1.33

Less: Transfer to Depreciation Account

2.17

2.33

**Closing Balance**

42.22

44.51

**b) Securities Premium Account**

Balance as per Last Account

737.88

738.07

Less: Share Issue Expenses adjusted

—

0.19

**Closing Balance**

737.88

737.88

**c) General Reserve**

Balance as per Last Account

943.95

864.95

Add: Amount transferred from Statement of Profit and Loss

52.20

79.00

**Closing Balance**

996.15

943.95

**d) Contingent Reserve\* - Created during the year**

25.00

—

**Closing Balance**

25.00

—

**e) Capital Reserve - balance as per Last Accounts**

5.35

5.35

**f) Foreign Currency Translation Reserve**

Balance as per Last Account

10.70

6.84

Add: Movement for the year

6.67

3.86

**Closing Balance**

17.37

10.70

PARTICULARS	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>g) Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	557.69	168.13
Add: Profit for the year	446.06	618.82
Less: Appropriations		
Proposed final equity dividend (amount per share Re 0.60 (PY Re 0.60))	(51.00)	(51.00)
Tax on proposed equity dividend	(8.03)	(2.11)
Interim dividend (amount per share Re 0.90 (PY Re 0.90))	(76.50)	(76.50)
Tax on interim dividend	(12.64)	(20.65)
Transfer to General reserve	(52.20)	(79.00)
Transfer to Contingent reserve	(25.00)	—
Total Appropriations	<b>(225.37)</b>	<b>(229.26)</b>
<b>Net Surplus in Statement of Profit and Loss</b>	<b>778.38</b>	<b>557.69</b>
	<b>2,602.35</b>	<b>2,300.08</b>

\* The Company has created the contingency reserve to set aside funds for meeting present and future contingencies and claims, if any.

#### 4. MINORITY INTEREST

Balance of equity as on acquisition date	4.61	11.61
Less: Adjustment on acquisition of remaining 49% shares in Chloride Alloys India Limited	—	(7.00)
	4.61	4.61
Add: Movement in equity from acquisition date to 31.03.2012	7.89	6.09
	<b>12.50</b>	<b>10.70</b>

#### 5. LONG TERM BORROWING

##### a) NON-CURRENT PORTION

Term loan from HDFC Bank Ltd (secured)	—	4.82
Term loan from DFCC Bank PLC (secured)	—	0.56
Deferred Payment Liabilities from Sales Tax Deferral Scheme (unsecured)	2.58	2.64
	<b>2.58</b>	<b>8.02</b>

##### b) CURRENT MATURITIES

Term loan from bank (secured)	—	2.09
Term loan from HDFC Bank Ltd (secured)	4.82	—
Term loan from DFCC Bank PLC (secured)	—	0.56
Term loan from DFCC Vardhana Bank PLC (secured)	0.15	—
Deferred Payment Liabilities from Sales Tax Deferral Scheme (unsecured)	0.09	0.05
	5.06	2.70
Less: Amount disclosed under the head "other current liabilities" (note 11)	5.06	2.70
	—	—

##### NON-CURRENT PORTION

Secured Borrowing	—	5.38
Unsecured Borrowing	2.58	2.64
	<b>2.58</b>	<b>8.02</b>

##### CURRENT MATURITIES

Secured Borrowing	4.97	2.65
Unsecured Borrowing	0.09	0.05
	<b>5.06</b>	<b>2.70</b>

- a) Term Loan from bank represents buyers credit carrying an interest rate of 7% pa.
- b) Loan from DFCC bank PLC is secured by hypothecation of Immovable Property at Rathmalana of Associated Battery Manufacturers (CEYLON) Limited carrying a interest rate of AWPLR+2%
- c) Loan from DFCC Vardhana Bank PLC is secured by hypothecation of inventories and trade debtors of Associated battery Manufacturers (CEYLON) Limited. The same is payable within 90 days.
- d) Term loan from HDFC Bank Ltd. carrying an interest rate of 7.35% is secured by hypothecation of battery breaking machine of Chloride Metals Limited repayable in a bullet installment within 3 years from date of loan being 4th September 2009 i.e. on 4th September 2012.
- e) Liability under Sales Tax Deferral Scheme is payable in 5 equal Yearly installments after 10 years of accrual and carrying no interest.

**6. DEFERRED TAX LIABILITY (NET)\*****a) Deferred tax liability:**

- Arising out of timing difference in depreciable assets  
Expenses claimed as deduction as per Income Tax Act, 1961  
but not booked in current year

**b) Deferred tax assets:**

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

\* Represents net deferred Tax liabilities of EIL, CML, CAIL, CPSSL, ESPEX and CBSEA

**7. OTHER LONG TERM LIABILITIES****a) Trade payables****b) Others - For Expenses**

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

**8. LONG TERM PROVISIONS****a) Provision for employee benefits (refer note 35)**

- Post retiral medical benefits  
Gratuity  
Leave benefits

**b) Others**

- Provision for warranty (refer note no 12)

**9. SHORT TERM BORROWINGS****SECURED****a) From Banks****Overdraft**

- (Secured by hypothecation of book debts, both present and future.  
Also secured by mortgage of immovable property and first charge  
on moveable assets excluding vehicle of CAIL)

**TOTAL****10. TRADE PAYABLES**

- Trade payable for goods & services (refer note no 41)  
Acceptances

**11. OTHER CURRENT LIABILITIES****a) Current maturities of long-term debts (refer note no 5(b))****b) Interest accrued on borrowings:****Due****Not due****c) Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)****d) Other payables -**

- Taxes and duties payable  
Advances from customers  
For Selling Expenses  
For Other Expenses

March 31, 2012  
(Rs. In Crores)

March 31, 2011  
(Rs. In Crores)

86.41

73.15

16.50

12.62

5.13

3.74

10.76

11.15

**87.02****70.88**

3.04

3.51

1.35

—

**4.39****3.51**

3.33

3.40

2.55

4.98

13.40

13.20

37.80

27.72

**57.08****49.30**

24.52

92.91

**24.52****92.91**

631.46

562.05

58.36

79.36

**689.82****641.41**

5.06

2.70

—

0.05

0.02

0.07

3.54

2.70

54.04

51.16

20.90

13.43

89.75

75.17

71.44

58.65

**244.75****203.93**

## 12. SHORT-TERM PROVISIONS

- a) Provision for employee benefits (refer note 35)
- Post retiral medical benefits
  - Gratuity
  - Leave benefits
- b) Others
- Provision for Warranty Claims
  - Provision for Income Tax (net of advance Tax)
  - Provision for proposed dividend
  - Provision for tax on proposed dividend

March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
0.18	0.19
1.00	—
2.00	1.81
51.71	38.50
1.66	4.00
51.00	51.00
8.27	2.11
<b>115.82</b>	<b>97.61</b>

### Provisions for warranties

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

#### Opening Balance

Add: Provision created during the year

Less: Product related warranties issued for the year

Effect of Foreign Exchange Movements

#### Closing Balance

Current portion

Non current portion

66.22	48.36
133.35	97.15
110.24	79.58
0.18	0.29
<b>89.51</b>	<b>66.22</b>
51.71	38.50
37.80	27.72

## 13. TANGIBLE ASSETS

	(Rs. In Crores)								
	Freehold land	Leasehold land	Buildings	Plant & machinery	Moulds	Furniture & fittings	Vehicles	Computers	Total
<b>Cost</b>									
As at 1st April 2010	47.08	20.15	234.84	981.81	110.68	17.04	6.58	21.00	1,439.18
Additions	3.69	—	43.42	206.05	17.62	2.34	0.87	3.22	277.21
Disposals / deductions	11.98	—	3.93	10.09	5.65	0.70	1.45	1.58	35.38
As at 31st March 2011	38.79	20.15	274.33	1,177.77	122.65	18.68	6.00	22.64	1,681.01
Additions	2.97	—	22.76	186.67	15.39	1.20	1.23	1.01	231.23
Acquisition through Purchase of business (refer note 14(b))	0.32	—	2.36	1.90	—	0.34	—	0.07	4.99
Disposals / deductions	—	—	0.27	12.75	3.16	0.21	0.82	2.03	19.24
As at 31st March 2012	42.08	20.15	299.18(b)	1,353.59	134.88	20.01	6.41	21.69	1,897.99
<b>Depreciation</b>									
As at 1st April 2010	—	2.67	62.51	527.88	65.66	11.72	3.69	16.01	690.14
Charge for the year	—	0.25	7.10	71.56	8.52	1.11	0.74	2.47	91.75
Disposals / deductions	—	—	3.19	8.74	5.44	0.64	1.30	1.54	20.85
As at 31st March 2011	—	2.92	66.42	590.70	68.74	12.19	3.13	16.94	761.04
Charge for the year	—	0.25	8.54	85.69	10.31	1.36	0.99	2.52	109.66
Disposals / deductions	—	—	0.19	12.03	3.08	0.22	0.76	1.98	18.26
As at 31st March 2012	—	3.17	74.77	664.36	75.97	13.33	3.36	17.48	852.44
<b>Net Block</b>									
As at 31st March 2011	38.79	17.23	207.91	587.07	53.91	6.49	2.87	5.70	919.97
As at 31st March 2012	42.08	16.98	224.41(e)	689.23	58.91	6.68	3.05(f)	4.21	1,045.55

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

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

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

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

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

d. Furniture & Fittings above include office equipments.

e. Includes leasehold buildings Rs 4.93 crs. (PY Rs 5.26 crs.)

f. Includes motor vehicles held under hire purchase contract Rs 0.40 crs. (PY Rs 0.52 crs.)

#### 14. INTANGIBLE ASSETS

##### Cost

As at 1st April 2010

Additions

As at 31st March 2011

##### Additions

Acquisition through Purchase of business (b)

Disposals / deductions

As at 31st March 2012

##### Amortisation

As at 1st April 2010

Charge for the year

As at 31st March 2011

Charge for the year

As at 31st March 2012

##### Net Block

As at 31st March 2011

As at 31st March 2012

			Rs. In Crores
	Goodwill	Computer Software	Total
As at 1st April 2010	47.86 (a)	0.27	48.13
Additions	2.20	0.80	3.00
As at 31st March 2011	50.06	1.07	51.13
Additions	—	0.91	0.91
Acquisition through Purchase of business (b)	11.10	—	11.10
Disposals / deductions	—	0.03	0.03
As at 31st March 2012	61.16	1.95	63.11
Amortisation			
As at 1st April 2010	3.35	0.02	3.37
Charge for the year	—	0.17	0.17
As at 31st March 2011	3.35	0.19	3.54
Charge for the year	0.56	0.32	0.88
As at 31st March 2012	3.91	0.51	4.42
Net Block			
As at 31st March 2011	46.71	0.88	47.59
As at 31st March 2012	57.25	1.44	58.69

a. Includes Trade Marks, Patents and other intangibles, not separately identifiable.

b. During the year, the company has acquired the Home UPS system business from M/s Kevin Power Solutions Limited on a slump sale basis at a consideration of Rs 17.23 Crores. The assets acquired have been accounted for on a Fair Value basis and the remaining amount of Rs 11.10 Crores has been recognised as Goodwill on such acquisition.



	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>15. NON-CURRENT INVESTMENTS (VALUED AT COST UNLESS STATED OTHERWISE)</b>		
<b>Trade (Unquoted)</b>		
<b>GOVERNMENT SECURITIES</b>		
Government Securities (lodged as security deposits with various authorities)	0.01	0.01
<b>Non Trade</b>		
<b>UNQUOTED</b>		
<b>DEBENTURES, FULLY PAID UP</b>		
Woodlands Hospital and Medical Research Centre Ltd		
1/2% Debentures (45 debentures of Rs. 100 each (PY 45 debentures))	– ^	–
5% Non-redeemable Registered Debentures (1 debenture of Rs. 6000 each (PY 1 debenture))	– ^	–
5% Non-redeemable Registered Debentures (1 debenture of Rs. 6500 each (PY 1 debenture))	– ^	–
The Bengal Chamber of Commerce & Industries, 6.5% debentures (2 debenture of Rs 1000 each (PY 2 debenture))	– ^	–
<b>EQUITY SHARES IN AN ASSOCIATE COMPANY</b>		
ING Vysya Life Insurance Company Limited (732,441,500 shares of Rupees 10 each (PY 732,441,500 shares))	744.43	744.43
Less: Share of Post Acquisition loss	432.07	416.49
	312.36	327.94
<b>OTHERS</b>		
Faering Capital (48,000 units of Rs. 1000 each (PY 30,000 units))	4.80	3.00
Haldia Integrated Development Agency Ltd. (500,000 units of Rs. 10 each (PY 500,000 units))	0.50	0.50
Brown Group Motels Ltd. (20,000 shares of Sri Lanka Rupees 10 each (PY 20,000 shares))	0.01	0.01
<b>Investment in Property</b>	0.48	0.44
<b>QUOTED</b>		
<b>EQUITY SHARES, FULLY PAID UP</b>		
Hathway Cable and Datacom Limited (1,092,566 shares of Rs. 10 each (PY 1,092,566))	26.22	26.22
	344.38	358.12
(i) Aggregate value of unquoted investments -	318.16	331.90
(ii) Aggregate value of quoted investments (Market value Rs 17.99 Cr (PY Rs 10.67 Cr))	26.22	26.22
(iii) Diminution, based on the net worth as per the latest audited accounts of the relevant company or market value, in the value of certain long term unquoted/quoted investments as on the Balance Sheet date, being temporary in nature, has not been provided.		
(iv) ^ Figures being less than Rs 50,000 in each case, has not been disclosed.		
<b>16. DEFERRED TAX ASSET (NET)*</b>		
a) Deferred tax liability:		
Arising out of timing difference in depreciable assets in current year	0.69	0.38
b) Deferred tax assets:		
On expenses allowable against income in future years	0.84	0.77
	0.15	0.39
* Represents net deferred Tax assets of ABML		

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>17. LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured considered good</b>		
a) Capital advances	5.22	18.49
b) Advances recoverable in cash or kind	0.46	0.49
c) Deposits - Others	9.68	10.01
d) Prepaid expenses	2.54	2.50
e) Balances with Customs, Sales Tax & Excise Authorities	—	—
f) Loans and advances to others	0.01	0.19
g) Loans to employees	0.50	0.64
	<b>18.41</b>	<b>32.32</b>
<b>18. OTHER NON-CURRENT ASSETS</b>		
<b>Unsecured, Considered good unless stated otherwise</b>		
a) Trade Receivable	0.89	0.31
b) Others	0.21	0.42
	<b>1.10</b>	<b>0.73</b>
Represents portion of Receivables which are recoverable after more than 12 months from the Balance Sheet date.		
<b>19. CURRENT INVESTMENTS</b>		
<b>Non Trade (Unquoted) (at lower of cost and fair value)</b>		
<b>UNITS OF MUTUAL FUND</b>		
ING Liquid Plus 2,81,44,632 units (23,58,77,382 units) of Rs 10	28.15	235.96
ING Liquid Plus 21,81,38,256 units (2,04,65,135 units) of Rs 10	218.24	20.47
Kotak Liquid Plus 2,49,78,973 units (2,50,51,599 units) of Rs 10	25.10	25.17
Templeton Liquid Plus 5,01,63,867 units (5,02,36,305 units) of Rs 10	50.22	50.30
DSP Liquid Plus (2,01,302 units of Rs 1000)	—	20.14
DSP Liquid 2,01,164 units of Rs 1000 (nil)	20.12	—
IDFC Liquid Plus 2,00,86,636 units (3,52,21,607 units) of Rs 10	20.09	35.23
Birla Liquid Plus 20,07,499 units of Rs 100 (2,51,54,407 units of Rs 10)	20.09	25.17
Birla Liquid 5,02,140 units of Rs 100 (nil)	5.03	—
HDFC Liquid Plus 3,01,11,394 units (1,00,86,189 units) of Rs 10	30.21	10.12
SBI Liquid Plus 2,01,148 units of Rs 1000 (1,01,10,808 units of Rs 10)	20.13	10.12
IDBI Liquid Plus 1,50,886 units of Rs 1000 (3,51,94,115 units of Rs 10)	15.09	35.19
Reliance Liquid Plus (1,00,796 units of Rs 1000)	—	10.09
DWS Liquid Plus 1,00,42,947 units of Rs 10 (nil)	10.06	—
BNP PARIBUS Liquid Plus 1,00,61,412 units of Rs 10 (nil)	10.07	—
Canara Robecco Liquid Plus 1,21,393 units of Rs 1000 (nil)	10.06	—
TATA Liquid Plus 1,50,36,297 units of Rs 10 (nil)	15.09	—
India Bulls Liquid 2,51,578 units of Rs 1000 (nil)	25.16	—
India Bulls Liquid Plus 2,51,583 units of Rs 1000 (nil)	25.16	—
<b>Non Trade (Quoted) (at lower of cost and fair value)</b>		
<b>UNITS OF MUTUAL FUND</b>		
TATA FMPS - 25 scheme B (1,00,61,400 units of Rs 10)	—	10.06
L&T FMP - III (Feb 90D A) (1,01,28,900 units of Rs 10)	—	10.13
UTI Qlty Interval Fund Plan V (50, 46, 269 units of Rs 10)	—	5.05
ICICI MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
SBI MF FMP 2,00,00,000 units of Rs 10 (nil)	20.00	—
UTI FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
RELIANCE FMP II 2,00,00,000 units of Rs 10 (nil)	20.00	—
DSPMR FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
LIC MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
HDFC MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
IDFC MF FMP 1,00,00,000 units of Rs 10 (nil)	10.00	—
<b>Fixed Deposits</b>	1.00	—
	<b>649.07</b>	<b>503.20</b>
Aggregate value of quoted investments (Market value Rs 100.00 crs (PY Rs 25.24 Crs))	100.00	25.24
Aggregate value of unquoted investments	549.07	477.96
<b>20. INVENTORIES</b> <b>(At Lower of cost and net realisable value)</b>		
a) Stores, spare parts, loose tools etc	24.59	19.64
b) Raw materials and components [Including in transit Rs. 97.82 cr (PY Rs. 135.90 cr)]	484.63	520.07
c) Work-in-progress	330.07	297.64
d) Finished goods	267.85	236.79
Add Excise Duty	46.27	35.67
	314.12	272.46
e) Trading Goods	7.30	24.50
	<b>1,160.71</b>	<b>1,134.31</b>
<b>21. TRADE RECEIVABLES (UNSECURED)</b>		
a) Debts overdue for a period exceeding six months		
Considered good	9.18	3.64
Doubtful	4.18	1.89
	13.36	5.53
Less:- Provision for doubtful debts	4.18	1.89
	<b>9.18</b>	<b>3.64</b>
b) Other Debts		
Considered good	416.87	369.82
	416.87	369.82
<b>Total</b>	<b>426.05</b>	<b>373.46</b>
<b>22. CASH AND BANK BALANCE</b>		
Cash and Cash Equivalents		
a) Balances with banks on		
Current Account	47.00	19.92
Deposit having original maturity of three months or less	12.01	0.01
b) Cash in hand	0.24	0.20
c) Unpaid Dividend Account	3.54	2.70
	<b>62.79</b>	<b>22.83</b>
<b>23. SHORT-TERM LOANS AND ADVANCES</b>		
i) <b>Unsecured, considered good</b>		
a) Advances recoverable in cash or kind	57.86	58.85
b) Prepaid expenses	2.70	2.06
c) Balances with Customs, Sales Tax & Excise Authorities	18.87	21.82
d) Advance Payment of Income Tax (net of provisions)	47.39	30.77
e) Deposits - Others	5.74	4.79
f) Loans to employees	0.50	0.60
ii) <b>Unsecured, considered doubtful</b>		
a) Advances recoverable in cash or kind	1.78	1.78
b) Balances with Customs, Sales Tax & Excise Authorities	1.93	1.62
c) Deposits - Others	0.10	0.10
	136.87	122.39
Less:- Provision for doubtful deposits and advances	5.54	3.82
	<b>131.33</b>	<b>118.57</b>

## 24. OTHER CURRENT ASSETS

### Unsecured, Considered good unless stated otherwise

- a) Interest accrued on deposits and others

## 25. REVENUE FROM OPERATIONS

### Sale of products

#### Finished Goods

#### Traded Goods

### Less: Excise duty

March 31, 2012  
(Rs. In Crores)

March 31, 2011  
(Rs. In Crores)

0.21

**0.21**

0.05

**0.05**

5,775.81

106.50

5,882.31

563.64

**5,318.67**

5,105.33

155.73

5,261.06

494.98

**4,766.08**

- i) Sales are net of price adjustments for earlier years, settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax etc.

- ii) Excise duty includes Rs. 23.03 crs (Rs. 18.82 crs) paid on batteries issued towards warranty claims.

### Details of products sold

#### Finished goods

##### Storage batteries

##### Home UPS Systems

##### Lead & Lead Alloy

##### Battery chargers, UPS, etc

5,728.85

12.89

14.04

20.03

**5,775.81**

5,063.71

—

26.63

14.99

**5,105.33**

#### Traded goods

##### Storage batteries

##### Home UPS Systems

##### Solar Lanterns and Homelights

91.33

4.60

10.57

**106.50**

135.34

—

20.39

**155.73**

## 26. OTHER INCOME

### Interest Income on

#### Bank deposits

#### Others

### Dividend Income on

#### Current investments

### Net gain on sale of fixed assets

### Gain on prepayment of sales tax loan\*

### Bad debt recovered

### Other non-operating income

0.23

0.31

34.23

0.46

—

0.43

5.80

**41.46**

—

0.42

30.47

0.35

20.65

0.05

3.76

**55.70**

\* Being gain arising on account of premature payment of deferred sales tax loan at Net Present Value (NPV) Scheme of the Government of Tamilnadu. The Company has been granted the above in terms of order no. 743/2011/A8 dated 29th March, 2011 issued by Joint Commissioner (CT), Chennai (East) Division.

## 27. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

### Opening Stock

### Add: Purchases (including Processing charges, Procurement expenses etc, and after adjusting Cenvat Credits)

### Less: Closing Stock

520.07

3,432.44

**3,952.51**

484.63

**3,467.88**

369.05

3,087.56

**3,456.61**

520.07

**2,936.54**

Materials consumed includes warranty costs Rs 106.56 crs (Rs 77.27 crs) and is net off export incentives Rs. 6.77 crs (Rs. 6.63 crs), and purchase tax set-off Rs. 0.49 crs (Rs Nil)

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
<b>28. INCREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>		
<b>Opening Stock</b>		
Work-in-progress	297.64	190.34
Finished goods	236.79	175.05
Traded Goods	24.50	25.60
	<b>558.93</b>	<b>390.99</b>
<b>Closing Stock</b>		
Work-in-progress	330.07	297.64
Finished goods	267.85	236.79
Traded Goods	7.30	24.50
	<b>605.22</b>	<b>558.93</b>
Excise Duty on Finished Goods	(10.60)	(13.15)
	<b>(56.89)</b>	<b>(181.09)</b>
<b>29. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	276.79	259.05
Contribution to provident and other funds (Refer Note 35)	18.26	27.35
Staff welfare expenses	35.33	34.57
	<b>330.38</b>	<b>320.97</b>
<b>30. FINANCE COSTS</b>		
Interest expenses	14.89	11.60
Other borrowings cost	0.02	0.07
	<b>14.91</b>	<b>11.67</b>
<b>31. DEPRECIATION AND AMORTISATION</b>		
Depreciation of tangible assets	109.66	91.75
Amortisation of intangible assets	0.88	0.17
Less: Transfer from revaluation reserve	(2.17)	(2.33)
	<b>108.37</b>	<b>89.59</b>
<b>32. OTHER EXPENSES</b>		
Stores and spare parts consumed	55.26	50.71
Power and fuel	213.00	188.24
Battery Charging / Battery assembly expenses	65.73	43.00
Repairs and maintenance		
Buildings	6.55	7.47
Plant & machinery	25.92	23.15
Others	6.72	6.12
Rent & Hire Charges	17.30	14.45
Rates and taxes	2.75	2.82
Insurance	2.40	1.99
Commission	3.46	4.30
Royalty and Technical Aid Fees	11.96	7.12
Publicity and Sales Promotion	55.30	24.40
Freight & Forwarding (net)	146.52	138.05
Cash Discounts	43.59	40.17
After Sales Services	24.68	17.01
C & F Expenses	19.96	17.58
Travelling & Conveyance	16.66	16.47
Bank Charges	3.69	4.04
Communication Costs	5.95	6.15
Donations	0.38	0.12
Directors' Sitting Fees	0.03	0.03
Loss on Fixed assets sold/discarded	0.65	0.94

	March 31, 2012 (Rs. In Crores)	March 31, 2011 (Rs. In Crores)
Auditors' Remuneration :		
As Auditors		
- For Statutory audit	0.67	0.58
- For Limited Reviews	0.25	0.22
- For Others	0.03	0.03
As Tax Auditors	0.07	0.07
Other Services	0.17	0.05
Out of pocket expenses	0.04	0.06
Bad Debts written off	—	0.05
Provision for Doubtful debts	0.24	0.84
Provision for Loans and Advances	1.42	0.32
Net foreign exchange rate difference (Gain) / Loss	12.67	(26.14)
Miscellaneous expenses (refer Note 33)	38.98	31.43
	<b>783.00</b>	<b>621.84</b>

- EIL has a full-fledged Research and Development Center and it has thereby been able to considerably further its efficiency. During the year, a sum of Rs. 12.05 crs. (Rs. 9.76 crs), including capital expenditure of Rs. 0.94 crs. (Rs. 1.09 crs), was spent on Research and Development work.
- Stores and Spares consumed of EIL is exclusive of Rs. 0.46 crs (Rs 0.45 crs) being the amounts allocated to other heads of expenses.
- Rent and Hire charges of EIL include Rs 0.54 crs (Rs. 0.62 crs) towards lease of residential apartments. These are cancellable leases, renewable by mutual agreement. Generally, there is no escalation clause and no other restrictions imposed by the lease arrangements. There are no sub-leases.

### 33. MISCELLANEOUS EXPENSES

Motor Vehicle Running Expenses	5.50	4.41
Consultancy & Services outsourced	8.95	7.65
Security Service Charges	6.89	5.52
General Expenses	1.51	1.65
Legal Expenses	2.87	1.60
Printing & Stationery	5.01	4.93
TQM Expenses	0.52	0.30
CSR Expenses	1.21	0.93
Pollution Control Expenses	4.30	2.20
Testing Charges	0.51	0.86
Liquidated Damages	0.74	0.84
Erection / Installation Costs	0.97	0.54
	<b>38.98</b>	<b>31.43</b>

### 34. SEGMENT REPORTING

The group's business is organized in two primary business segments, 'Storage Batteries & allied products' an Solar Lantern & Homelights. Storage batteries & allied products being the only reportable segment, segment information for the group is as under:

#### Business Segments

Year ended 31st March 2012

	(Rs. In Crores)		
	Particulars	Storage Batteries & allied products	Others
<b>Revenue (Gross Sale)</b>		5,871.74	10.57
<b>Segment Results</b>		635.39	0.69
Unallocated expenses			—
Operating Profit			636.08
Finance Cost			14.91
Other income including finance income			41.46
<b>Profit before tax</b>			662.63
Income taxes			197.94
<b>Profit after tax</b>			464.69



	(Rs. In Crores)			
	Particulars	Storage Batteries & allied products	Others	Total
<b>As at 31st March 2012</b>				
Segment assets		2,929.54	1.23	2,930.77
Unallocated assets				993.44
<b>Total assets</b>				3,924.21
Segment liabilities		1,133.30	1.90	1,135.20
Unallocated liabilities				32.16
<b>Total liabilities</b>				1,167.36
<b>Other Segment information</b>				
Capital expenditure:				
Tangible assets		214.81	—	214.81
Intangible assets		12.01	—	12.01
Depreciation		107.47	0.02	107.49
Amortization		0.88	—	0.88
Other non-cash expenses				
<b>Revenue (Gross Sale)</b>		5,240.67	20.39	5,261.06
<b>Segment Results</b>		865.59	0.48	866.07
Unallocated expenses				—
Operating Profit				866.07
Finance Cost				11.68
Other income including finance income				55.70
Exceptional Item				46.93
<b>Profit before tax</b>				957.02
Income tax				297.50
<b>Profit after tax</b>				659.52
<b>As at 31st March 2011</b>				
Segment assets		2,694.06	8.04	2,702.10
Unallocated assets				861.30
<b>Total assets</b>				3,563.40
Segment liabilities		1,011.80	2.37	1,014.17
Unallocated liabilities				103.63
<b>Total Liabilities</b>				1,117.80
<b>Other Segment information</b>				
Capital expenditure:				
Tangible assets		286.84	—	286.84
Intangible assets		3.00	—	3.00
Depreciation		89.38	0.04	89.42
Amortization		0.17		0.17
Other non-cash expenses				

### Geographical Segments

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

Year ended 31st March 2012		(Rs. In Crores)		
Particulars	India	Overseas	Total	
Revenue (Gross Sale)	5,603.15	279.16	5,882.31	
Other Segment information:				
Segment assets	2,731.27	199.50	2,930.77	
Unallocated assets			993.44	
Additions:				
Tangible assets	211.40	3.41	214.81	
Intangible assets	12.01	–	12.01	
Year ended 31st March 2011		(Rs. In Crores)		
Particulars	India	Overseas	Total	
Revenue (Gross Sale)	4,962.79	298.27	5,261.06	
Other Segment information:				
Segment assets	2,529.41	172.69	2,702.10	
Unallocated assets	–	–	861.30	
Additions:				
Tangible assets	285.68	1.17	286.85	
Intangible assets	3.00	–	3.00	

### 35. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

- The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.
- The Company provides certain post-retirement medical benefit (PRMB) to the employees qualifying for such benefits under the scheme upto 31 March 2006, and accordingly the number of beneficiaries is frozen on that date. This benefit is unfunded.
- The Company has a Pension plan, a part of the liability whereof upto 31 March 2003 is in the nature of a defined benefit plan. From 1 April 2003 onwards, pension remains as a defined contribution liability which is funded annually with an insurance company.
- The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

	(Rs. In Crores)			(Rs. In Crores)		
	For the year ended 31st March 2012			For the year ended 31st March 2011		
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)		
<b>I. Expenses recognised in the Statement of Profit &amp; Loss Account</b>						
1. Current / Past Service Cost	3.47	–	0.09	6.48	–	0.07
2. Interest Cost	3.67	0.57	0.28	2.61	0.62	0.23
3. Expected Return on plan assets	4.11	0.75	–	3.14	0.94	–
4. Actuarial (Gains)/Losses	(1.21)	(0.37)	(0.30)	6.68	(0.67)	0.29
5. Total Expense	1.82	(0.55)	0.07	12.63	(0.99)	0.59
<b>II. Net Asset/(Liability) recognised in the Balance Sheet</b>						
1. Present Value of Defined Benefit Obligation	49.59	7.25	3.51	48.05	7.17	3.59
2. Fair Value of Plan Assets	50.27	8.65	–	45.28	9.51	–
3. Net Asset/(Liability)	0.68	1.40	(3.51)	(2.77)	2.34	(3.59)

	(Rs. In Crores)			(Rs. In Crores)		
	For the year ended 31st March 2012			For the year ended 31st March 2011		
	GRATUITY	PENSION	PRMB	GRATUITY	PENSION	PRMB
	Plan (Benefit)			Plan (Benefit)		
<b>III. Change in Obligation during the year</b>						
1. Present Value of Defined Benefit Obligation at the beginning of the year	48.06	7.17	3.59	37.54	9.59	3.11
2. Current Service Cost / Plan amendments	3.47	–	0.09	6.48	–	0.07
3. Interest Cost	3.67	0.57	0.28	2.61	0.62	0.23
4. Benefits Paid	4.47	0.19	0.15	5.52	2.46	0.11
5. Actuarial (Gains) / Losses	(1.14)	(0.30)	(0.30)	6.96	(0.58)	0.29
6. Present Value of Defined Benefit Obligation at the end of the year	49.59	7.25	3.51	48.07	7.17	3.59
<b>IV. Change in the Fair Value of Plan Assets during the year</b>						
1. Plan assets at the beginning of the year	45.28	9.51	–	36.66	13.01	–
2. Expected return on plan assets	4.11	0.75	–	3.14	0.94	–
3. Contribution by employer	5.28	(1.49)	0.15	10.70	(2.07)	0.11
4. Actual Benefits Paid	4.39	0.19	0.15	4.43	2.46	0.11
5. Actuarial Gains / (Losses)	0.07	0.07	–	0.08	0.09	–
6. Plan assets at the end of the year	50.27	8.65	–	46.15	9.51	–
7. Actual return on Plan Assets	4.18	0.82	–	3.22	1.03	–

V. In 2012-13 EIL expects to contribute Rs 5.00 crs to gratuity and Rs 0.50 crs to Pension.

**VI. The major categories of plan assets as a percentage of the fair value of total plan assets**

Investments with insurer	100%	100%	–	100%	100%	–
--------------------------	------	------	---	------	------	---

**VII. Actuarial Assumptions**

	EIL	CML	CPSSL	CAIL
1. Discount Rate	8.50% p.a. (8.00%)	8.50% p.a. (8.25%)	8.50% p.a. (8.35%)	8.50% p.a. (8.15%)
2. Expected rate of return on plan assets	9.00% p.a. (8.00%)		8.50% p.a. (8.35%)	
3. Mortality pre retirement	Standard Table LIC (1994-96) Ultimate		Standard Table LIC (1994-96) Ultimate	
4. Mortality post retirement	Mortality for annuitants LIC (1996-98) Ultimate			
5. Employee Turnover Rate	4.20%	2.00%	10.00%	3.00%

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

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

X. Contribution to Provident and Other Funds includes Rs 13.60 crs (Rs 13.60 crs) paid towards Defined Contribution Plans.

XI. The above disclosures are made for all the Indian companies within the Group.

## Gratuity and Other Post employment Benefit Plans

Rs Crores

XII. Amount for the current and previous four periods are as follows :	Year ended March 12	Year ended March 11	Year ended March 10	Year ended March 09	Year ended March 08
1. Gratuity					
Defined Benefit Obligation	49.43	47.96	37.46	29.46	23.49
Plan Assets	50.27	45.27	36.67	29.50	24.37
Surplus / (deficit)	0.84	(2.69)	(0.79)	0.04	0.88
Experience Gain/(loss) adjustments on plan liabilities	0.57	(2.87)	(11.15)	(0.57)	0.66
Experience Gain/(loss) adjustments on plan assets	0.09	0.30	0.49	0.17	0.22
2. Pension					
Defined Benefit Obligation	7.25	7.17	9.59	9.42	8.67
Plan Assets	8.65	9.51	13.01	12.53	12.35
Surplus / (deficit)	1.40	2.34	3.42	3.11	3.68
Experience Gain/(loss) adjustments on plan liabilities	0.19	0.61	(0.03)	(0.39)	(2.43)
Experience Gain/(loss) adjustments on plan assets	0.07	0.09	0.33	0.20	0.14
3. Post Retirement Medical Benefit					
Defined Benefit Obligation	3.51	3.59	3.11	2.47	2.11
Experience Gain/(loss) adjustments on plan liabilities	0.16	(0.55)	(0.75)	(0.01)	0.05

## 36. RELATED PARTY DISCLOSURE:

## i. Particulars of related parties :

- |  |   |
|--|---|
| 1. Associated Companies  | ING VYSYA Life Insurance Company Limited (IVL)  |
| 2. Enterprise/Individuals having a direct or indirect control over the company   | Chloride Eastern Limited, UK. (CEL)<br>Chloride Eastern Industries Pte Limited, Singapore (CEIL)<br>LIEC Holdings SA, Switzerland<br>Mr. S B Raheja   |
| 3. Key Management Personnel  | Mr. T V Ramanathan<br>Mr. G Chatterjee<br>Mr. P K Katakya<br>Mr. A K Mukherjee<br>Mr. Nadeem Kazim<br>Mr. Supriya Coomer<br>Mr. Samyajit Chaudhury<br>Mr. R M D Bandara<br>Mr. T. W. Atkins (upto 29.02.2012)<br>Mr. Raja Choudhury<br>Mr. Pulak Pramanik (upto 30.11. 2011)<br>Mr. Surender Joseph (wef 01.12.2011)<br>Mr. A.B. Oke<br>Mr. Abir Ghosh (wef 01.11.2011) |
| 4. Name of the Companies/firms/ in which Directors/Key Management Personnel have significant influence with whom transactions have happened during the year. | Global Lead Alloys (upto 18.08.2010)<br>Kelvenberg (Pvt) Limited<br>Browns Group Industries Limited<br>SM Vaieram (upto 18.08.2010)   |

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

(Rs. In Crores)

	Associated Companies		Enterprise/Individuals having direct or indirect control		Key Management Personnel	Companies/firms in which directors/their relatives are interested		Total	
	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Transaction Value	Balance Outstanding as on 31-03-2012	Transaction Value	Balance Outstanding as on 31-03-2012
Purchases of goods									
– Global Lead alloys	–	–	–	–	–	– (0.11)	–	– (0.11)	–
– Browns Group Industries Limited	–	–	–	–	–	3.17 (4.71)	0.67 (0.44)	3.17 (4.71)	0.67 (0.44)
Sale of goods – Klevenberg (Pvt) Limited	–	–	–	–	–	18.82 (21.27)	3.13 (4.55)	18.82 (21.27)	3.13 (4.55)
Job Work charges Paid –Global Lead Alloys	–	–	–	–	–	– (0.04)	–	– (0.04)	–
Transportation Charges Paid – SM Vaieram	–	–	–	–	–	– (0.03)	–	– (0.03)	–
Purchase of land - Mr. T. Rajkumar	–	–	– (1.05)	–	–	–	–	– (1.05)	–
Interest Paid – CEIL	–	–	– (0.01)	–	–	–	–	– (0.01)	–
Technical Assistance Expenses – CEIL	–	–	0.11 (0.05)	–	–	–	–	0.11 (0.05)	–
Trade Mark Expenses – CEIL	–	–	0.03 (0.04)	–	–	–	–	0.03 (0.04)	–
Employee Welfare Expenses – IVL	0.43 (0.45)	–	–	–	–	–	–	0.43 (0.45)	–
Rights Issue of Shares – IVL	– (118.70)	–	–	–	–	–	–	– (118.70)	–
Rental Income – CEIL	–	–	0.05 (0.04)	–	–	–	–	0.05 (0.04)	–
Remuneration to Directors	–	–	–	–	6.65 (6.38)	–	–	6.65 (6.38)	2.53 (1.75)
to Others	–	–	–	–	2.70 (2.19)	–	–	2.70 (2.19)	–
– Total	–	–	–	–	9.35 (8.57)	–	–	9.35 (9.85)	2.53 (1.75)

**37. OPERATING LEASE COMMITMENTS**

The Company has entered into commercial leases on certain items of equipment, machinery, and a building. These leases have an life between one year and sixteen years. There are no restrictions placed upon the Company by entering into these leases. Rent and Hire charges (refer note 32) include Rs 1.58 crs (Rs. 1.06 crs) towards such leases.

The future minimum lease amounts under non-cancellable operating lease in case of CML, CAIL, CBSEA and ESPEX are payable as follows:

Not later than one financial year  
 Later than one financial year but not later than five financial years  
 Later than five financial years

2011-12 (Rs. In Crores)	2010-11 (Rs. In Crores)
1.58	1.06
4.95	4.35
7.80	7.47

**38. EARNINGS PER SHARE (EPS)**

Details for calculation of basic and diluted earning per share:

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

446.06	618.82
850,000,000	850,000,000
5.25	7.28

**39. UNHEDGED FOREIGN CURRENCY EXPOSURE**

The following assets and liabilities in foreign currencies as at the Balance Sheet Date are not hedged

Trade Receivables  
Trade Payables

**40. CONTINGENT LIABILITIES**

Outstanding Bank Guarantees / Indemnity Bonds

Sales Tax demands

Excise Duty demands

Service Tax demands

Income Tax demands

Other claims being disputed by the Company

Other Contractual Obligation

Share of contingent liabilities of Associate Company

Claim from a landlord, an appeal whereby is pending in Hon'ble

Bombay High Court

2011-12 (Rs. In Crores)	2010-11 (Rs. In Crores)
9.39	12.41
123.81	159.53
133.20	171.94
15.99	13.40
1.79	2.16
33.85 *	0.88
0.77	—
6.62	2.53
0.45	0.45
4.09	4.70
120.31	87.67
Not Ascertainable	Not Ascertainable
183.87	111.79

\* Includes a Demand of Rs 32.60 crs plus penalties, as applicable, for the period June 2006-May 2009 on the grounds that Excise Duty was payable on the MRP of batteries. The Company has contested this demand largely on grounds of non-applicability of The Standards of Weights & Measures Act, 1976 and Rules thereunder, the applicability of which is still to be adjudicated by the Hon'ble Supreme Court. Pending the adjudication, the demand has been treated as Contingent Liability in these Financial Statements.

**41. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006**

Principal amount due

Interest due on above

Amount of interest paid in terms of Sec 16 of the Micro, Small and

Medium Enterprise Development Act 2006

Amount of interest due and payable for the period of delay

Amount of interest accrued and remaining unpaid as at year end

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

11.29	8.77
0.01	0.01
—	—
0.02	0.01
0.03	0.03
—	—

**42. UTILISATION OF MONEY RAISED THROUGH PRIVATE PLACEMENT**

During the financial year 2009-10, the Company had raised Rs 529.91 crores (net) by issuing shares to Qualified Institutional Buyers to generate funds for its capital expenditure, acquisitions and for general corporate purposes. Entire amount of Rs 529.91 crs (Rs 295.88 crores) has been used for the stated purpose and unutilised balance as at 31st March, 2012 is Rs Nil (Rs 234.03 Crs)

**43. EXCEPTIONAL ITEMS**

Gain on transfer of land no longer in use

**44. CAPITAL AND OTHER COMMITMENTS**

Commitment for acquisition of fixed assets

Commitment for investment

Other Commitments

—	46.93
54.88	103.25
15.20	17.00
27.00 *	—
97.08	120.25

\* Payable over a period of next five years.

As per our report of even date.

S. R. Batliboi & Co.  
Registration Number: 301003E  
Chartered Accountants

Per Sanjoy K. Gupta  
a Partner  
Membership No. 54968  
Mumbai, 30 April, 2012

S. Coomer  
Secretary

As Approved,  
For and on behalf of the Board of Directors

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



## INFORMATION REGARDING SUBSIDIARY COMPANIES

FOR THE YEAR ENDED MARCH 31, 2012

(Rs. In Crores)

Name of the Subsidiary	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments			Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Interim Dividend	Proposed Dividend
					Long Term	Current	Total						
Chloride Power Systems & Solutions Ltd. (Formerly Caldyne Automatics Ltd.)	1.98	6.45	27.34	18.91	–	–	–	73.27	4.77	1.54	3.23	1.49	–
Chloride Metals Ltd. (Formerly Tandon Metals Ltd.)	15.00	16.64	76.81	45.17	–	–	–	440.03	12.74	4.27	8.47	5.35	–
Chloride Alloys India Ltd. (Formerly Leadage Alloys India Ltd.)	25.00	20.53	183.99	138.46	–	–	–	850.06	12.36	4.31	8.05	14.04	–
Chloride International Ltd.	0.45	5.29	5.96	0.22	– **	–	– **	3.58	0.11	0.03	0.08	–	–
Chloride Batteries S.E. Asia Pte. Ltd.*	39.69	9.28	99.02	50.05	–	–	–	134.49	5.62	0.86	4.76	5.41	–
Associated Battery Manufacturers (Ceylon) Ltd. @	2.72	17.99	41.99	21.27	0.49	–	0.49	80.21	8.19	2.47	5.72	4.50	–
Espex Batteries Ltd. #	1.63	3.43	23.01	17.95	–	–	–	45.99	2.19	0.45	1.74	–	–

\* Converted into Indian Rupees at the Exchange Rate, 1 Singapore Dollar = Rs 40.76 as on 31st March, 2012

@ Converted into Indian Rupees at the Exchange Rate, 1 Srilankan Rupees = Re 0.43 as on 31st March, 2012

# Converted into Indian Rupees at the Exchange Rate, 1 Great Britain Pound = Rs 81.63 as on 31st March, 2012

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

