EVEREADY
GIVE ME RED

ANNUAL REPORT 2018-19

Eveready Industries India Limited

Contents

IN FOND MEMORY OF MR. B.M. KHAITAN

Late Mr. B.M. Khaitan

(14th August 1927 – 1st June 2019)

Mr. Brij Mohan Khaitan was a visionary in its truest sense who left an indelible imprint of his dynamism and futuristic thinking on every business he touched and nurtured, spanning tea, batteries and engineering. He was a formidable industrial force to reckon with, in India as well as internationally.

From his humble beginnings as a supplier of tea chests and fertilisers to Williamson Magor to becoming the company's partner and eventual owner, the 'evergreen tea man of India' scripted one success story after another.

The Indian Chamber of Commerce (ICC) accorded him the Lifetime Achievement Award in 2013. Brij Babu–as he was fondly called and remembered–was a thorough gentleman and 'one of the most humanitarian industrialists' of independent India who also touched and transformed lives in different ways, making business and social welfare walk in tandem.

We will continue to emulate our Chairman Emeritus' high standards and be guided by his philosophy and spirit of entrepreneurship.

Corporate Identity

WINNING EVERYDAY

We are Eveready Industries Limited (Eveready) – India's undisputed leader in batteries and organised flashlights, with 50%+ and 75% market share, respectively. In a rapidly evolving economy, we have retained and strengthened our timeless appeal. Over the years, we have maintained the integrity of our brand, which is trusted across generations. We have touched lives and brought hope to millions while becoming an integral part of India's life.

At Eveready, we have had an eventful and rewarding journey for the last 100 years and more.

Today, in addition to our predominant market leadership in batteries and flashlights, we have strong presence in lighting and other portable energy and electrical solutions, along with home appliances such as toasters and fans.

We have always focused on deepening penetration in existing markets and foraying into new markets. Simultaneously, we have catered to the evolving customer requirements by delivering products with enhanced efficiency and adding new product lines with an unwavering focus on total quality management, safety, energy conservation and cost control during manufacturing. Our manufacturing locations undergo regular audits. Besides, the technologies developed and adopted at the plants are absorbed across business locations.

We enjoy an extensive and deep-rooted pan-India distribution network which extends our reach to India's farthest corners. Our strong sales force operates our extensive sales network successfully.

Our inherent strengths provide us the resilience to navigate tough times and the resolve to capitalise on emerging opportunities.

Vision

Our vision is to improve the quality of life of people through cutting-edge, portable energy and lighting solutions and to strengthen the timeless appeal of our brand.

Manufacturing facilities

Our world-class manufacturing facilities are equipped with globally benchmarked technology platforms at Kolkata (West Bengal), Noida (Uttar Pradesh), Haridwar (Uttarakhand), Lucknow (Uttar Pradesh), Goalpara (Assam) and Maddur (Karnataka).

Operating practices

We follow the best-in-class operating standards, with relentless focus on quality (ISO 9000) and environmental best practices (ISO 14000).

Innovation focus

We focus on increasing efficiency of existing products and adding new products to our portfolio. Our research and development (R&D) facility is approved by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India.

Corporate Identity

KEY NUMBERS THAT TELL OUR STORY

Our leadership

75%+

Market share of India's organised flash light market

50%+

Market share in the Indian dry cell battery segment

65%+

Top-of-the-mind recall value of Brand Eveready

Our scale

1.3 billion units

Dry cell batteries sold annually

21 million units

Flashlights sold annually

Scaling

Our LED business across India

Our reach

1,000+

Van servicing retailers

37

Distribution centres

4,000+

Distribution points

18

Sales office branches across India

3.2mn+

Outlets selling Eveready products

0.8 million+

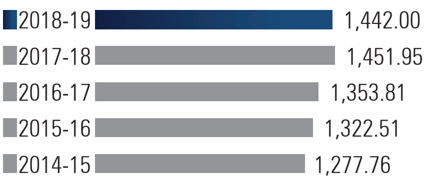
Outlets serviced directly by Eveready's dealer network

Key Performance Indicators

A QUICK LOOK AT OUR KEY NUMBERS

Net Sales
(₹ in Crore)

1,442.00

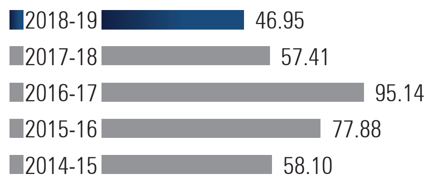


Operating EBITDA
(₹ in Crore)

122.77

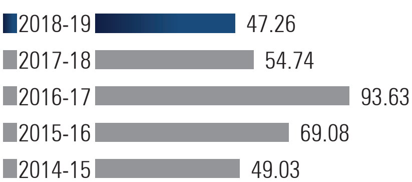
Operating profit before tax
(₹ in Crore)

46.95



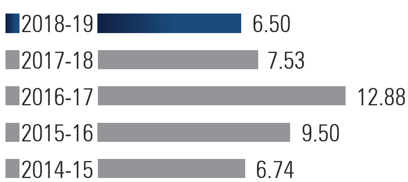
Profit after tax
(₹ in Crore)

47.26

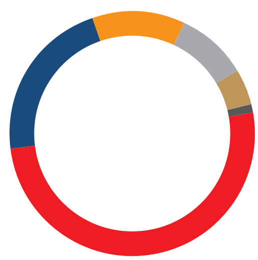


Earnings per share
(₹)

6.50



Revenue split by business segment in 2018-19
(%)



- Batteries 50.9
- Lighting and Electricals 21.8
- Flashlights 12.3
- Small Home Appliances 9.4
- Tea 4.7
- Confectioneries 0.9

Key financial ratios

	2016-17	2017-18	2018-19
Debt-equity ratio	0.68	0.71	1.02
Interest coverage ratio	5.96	3.69	2.09
Debt service coverage ratio	0.65	0.46	0.31

Managing Director's Review
BEING RESILIENT

Dear Shareholders,

We deeply mourn the passing away of Mr. Brij Mohan Khaitan, our Founder and Chairman Emeritus, on 1st June 2019. This is an irreparable loss to each member of the Eveready family which we must all accept with grace and humility. Even though he is no more with us, we will continue to be guided and inspired by his values, work ethic and 'humanitarian industries' approach. He embedded the culture of resilience and inclusive growth into the very fabric of the Company.

He envisioned Eveready as an enterprise that empowers billions of Indians to pursue their aspirations with intelligent portable power and energy-efficient lighting solutions that offer value for money. In his lifetime, he participated in various social development initiatives that touched the lives of millions. At Eveready, we are determined to follow in his footsteps and grow his legacy.

₹ 1,442 Crore

Net sales for 2018-19

During the year, we maintained our market share in most of these segments, despite stiff competition from low-cost Chinese imports and the vast unorganised market. We effectively leveraged our distribution channels and simultaneously strengthened them. We also undertook several initiatives to reinforce our brand salience.

MACRO TRENDS THAT IMPACT OUR BUSINESS

In 2018-19, despite global headwinds, India continued to display resilience. As the world's sixth largest economy, India grew at 6.8%, marginally below the previous year's growth rate. India remains a crucial cog in the global economic development as one of the world's fastest growing major economies, driven by its political stability, domestic consumption, favourable demographics, healthy savings rate, moderate inflation and a gradual improvement in the private investment cycle.

Further, India has started to witness the positive impact of the Government of India's structural reforms carried out in the past three years, along with infrastructure development push and income support to the rural milieu reliant on agriculture. These initiatives also helped India improve its ranking considerably in the World Bank's Doing Business 2019 report.

BRAND EVEREADY, AN INTRINSIC PART OF INDIA'S LIFE

At Eveready, we have established a strong brand that has always moved in step with the evolving times, while staying rooted to the legacy that upholds innovation and values stakeholder trust. Our offerings are trusted across generations for the value they provide and are available at all corners of India.

Of late, we have diversified into home appliances such as fans, toasters, water heaters and coffee makers, among others. We are committed to ensuring that our extended product portfolio delivers the same trust with intelligent and energy-efficient solutions of brand Eveready. We have also forayed into healthy confectionaries business with jelly candies under the Jollies brand.

For both these businesses, we are utilising our extensive distribution network that provides us deep-rooted pan-India reach.

OUR RESILIENT PERFORMANCE

During 2018-19, our businesses faced several headwinds. Volatile crude oil prices increased our distribution costs, while a weak Indian rupee led to a rise in our input costs as we source the bulk of our raw materials from China.

Despite these challenges, we managed to deliver sales of ₹ 1,442 Crore in 2018-19, marginally down from ₹ 1,451.95 Crore in 2017-18. We registered a PAT of ₹ 47.26 Crore. Our turnover was ₹ 747.2 Crore in the batteries segment; ₹ 181.3 Crore in the flashlights business; ₹ 319.7 Crore in lighting and electrical products division; ₹ 138.8 Crore in the small home appliances segment and ₹ 68.3 Crore in the packet business.

OPERATIONAL INSIGHTS

During the year, we maintained our market share in most of these segments, despite stiff competition from low-cost Chinese imports and the vast unorganised market. We effectively leveraged our distribution channels and simultaneously strengthened them. We also undertook several initiatives to reinforce our brand salience.

Our batteries were stocked in ~70% of FMCG outlets that store batteries during 2018-19, which is higher than any other battery brand by a wide margin. In our flashlights segment, we are tapping the vast potential in both rural and urban markets through new and innovative offerings.

Currently, we are concentrating on capitalising on the growth potential in LED lighting in India, given the favourable market shift. With the Government of India focused on providing 'power for all' and 'housing for all', demand for light bulbs is slated to increase. The manufacturers of LED light bulbs are set to gain more traction as LED bulbs illuminate more while consuming less electricity than CFL bulbs. The Government of India's nationwide campaign for providing LED bulbs and LED-based luminaires at affordable prices has also boosted to the category.

We are still in the build-up phase of our small home appliances business and seek to scale it soon. Our packet tea business continues to grow strong, leveraging our distribution network. The superior quality of our offerings finds resonance among consumers, and we are deriving additional revenues at virtually no extra cost.

PEOPLE AT THE CORE

At Eveready, our people are at the centre of all our strategies. We acknowledge that their constant support and loyalty are driving us. We offer a conducive work environment and nurture our team members with training and upskilling opportunities.

ON THE ROAD TO VALUE CREATION

Going forward, our focus will be on consolidating our traditional business of batteries and flashlights; scaling our new ventures of home appliances and confectionaries; driving cost-efficiency initiatives across various undertakings and galvanise our team into a streamlined unit ready to take on future challenges.

I conclude by thanking our people, customers, distributors and investors for their continued support.

Regards,

Amritanshu Khaitan
Managing Director

Corporate Information

(as on the date of the Report)

BOARD OF DIRECTORS

Mr. Aditya Khaitan

Vice Chairman (Non-Executive)

Mr. Amritanshu Khaitan

Managing Director

Mr. Suvamoy Saha

Whole-time Director

Mr. Subir Ranjan Dasgupta

Mr. Aniruddha Roy

Ms. Arundhuti Dhar

Mr. Mahesh Shah

Non-Executive Independent Directors

BOARD COMMITTEES

Audit Committee

Mr. Subir Ranjan Dasgupta, Chairman

Mr. Aniruddha Roy

Ms. Arundhuti Dhar

Nomination & Remuneration Committee

Mr. Subir Ranjan Dasgupta, Chairman

Mr. Aditya Khaitan

Mr. Aniruddha Roy

Stakeholders Relationship Committee

Mr. Subir Ranjan Dasgupta, Chairman

Mr. Suvamoy Saha

Mr. Amritanshu Khaitan

Corporate Social Responsibility Committee

Mr. Amritanshu Khaitan, Chairman

Mr. Subir Ranjan Dasgupta

Mr. Suvamoy Saha

VICE PRESIDENT LEGAL & COMPANY SECRETARY

Mrs. Tehnaz Punwani

CHIEF FINANCIAL OFFICERS

Mr. Bibhu Ranjan Saha**,** (Joint CFO)

Mr. Indranil Roy Chowdhury, (Joint CFO)

AUDITORS

Price Waterhouse & Co Chartered Accountants LLP

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Report of the Directors

For the financial year ended March 31, 2019

Your Directors are pleased to present the Annual Report, together with the Audited Financial Statements of your Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS

The Financial Results of the Company are summarised below:

₹ Crores

Particulars	2018-19	2017-18
Revenue from Operations	1,442.00	1,451.95
Other Income from operations	15.73	4.40
Total Revenue from Operations	1,457.73	1,456.35
Total Expenditure adjusted for increase/ decrease of stocks	1,334.96	1,351.00
Profit from Operations before Other Income, Depreciation, Finance Costs and Tax	122.77	105.35
Other Income	35.41	19.77
Profit from Operations before Depreciation, Finance Costs and Tax	158.18	125.12
Depreciation	21.84	19.24
Interest and Exchange Fluctuation	53.99	28.70
Profit before Exceptional items and Tax	82.35	77.18
Exceptional items	23.25	-
Profit before Tax	59.10	77.18
Provision for Tax	11.85	22.44
Profit after Tax	47.26	54.74
Balance carried forward to Balance Sheet	49.62	17.20

Net sales for the year was lower by 1% over the previous financial year. The turnover for the year, however, has to be seen in context of an adjustment for revenue in line with the adoption of new Revenue Standard issued by the Institute of Chartered Accountants of India with effect from April 1, 2018. Without considering the aforesaid adjustments, net sales for the year was higher by 1%. Profit before Depreciation, Interest and Taxation (PBDIT) was higher by 17% at ₹ 122.77 Crores (previous year- ₹ 105.35 Crores). Exceptional items relate to costs related to a voluntary retirement scheme for workmen (VRS), completed during the year under review for the manufacturing facility at Thiruvottiyur, Chennai (previous year Nil). With Depreciation of ₹ 21.84 Crores (previous year- ₹ 19.24 Crores), an increase in interest / exchange fluctuation charge of ₹ 53.99 Crores (previous year- ₹ 28.70 Crores), Profit after Taxation stood at ₹ 47.26 Crores for the year as against a Profit of ₹ 54.74 Crores in the previous year. Net accumulated profits stood at ₹ 49.62 Crores.

DIVIDEND

Your Directors consider it prudent not to recommend any dividend for the year under review as a measure of conservation.

TRANSFER TO RESERVES

There was no transfer to General Reserves during the year under review.

OPERATIONAL REVIEW & STATE OF THE COMPANY'S AFFAIRS

Batteries & Flashlights

The battery category continued to be disturbed by poor quality products imported from China at dumped prices. As a result, the category volume and value both remained flat during the year.

According to Company estimates, the market share position of the major players remained unaltered during the year under review, with your Company's share being estimated at 50%.

The flashlight market remained disturbed by proliferation of cheap flashlights of poor quality by the unorganized and gray market players which impacted organized players like EIIL, leading to a flat turnover during the year.

Your Company's share of the flashlight market was maintained at 70%. However, this has to be seen in the perspective of large unorganized market, which is estimated at the same size as the organized market.

However, both the segments had very healthy EBIDTA during the year – batteries at ₹ 131.77 Crores and flashlights at ₹ 18.61 Crores - mainly due to favorable commodity prices, fiscal benefits from the manufacturing unit at Assam and overall cost conservation – mitigating the adverse impact of a depreciating rupee. EBIDTA margins were at 17.6% for batteries and 10.3% for flashlights – a substantial improvement over last year.

The manufacturing operations in these product categories continued to focus on total quality management, safety, energy conservation and cost control. This helped your Company in achieving efficiency in the manufacturing function.

The manufacturing facility at Kolkata stood 2nd Runners-up in the 31st State level Quality Circle Convention held by Confederation of Indian Industry (CII). It received the Certificate of Merit on Safety, Health & Environment from CII and was also awarded with a 4 Star Energy Conservation Award by CII.

With the manufacturing facility at Chennai becoming idle, consequent to its economic unviability, for some time, your Company has entered into an Agreement for Sale on December 5, 2018, with M/s Alwarpet Properties Private Ltd, for sale of this surplus land for a consideration of ₹ 100.00 Crores and has received ₹ 50.00 Crores during the year under review. The sale is expected to be completed within 6 months, based on tangible milestones.

Lighting & Electrical Products

Your Company has diversified to the marketing of electrical & lighting products for quite sometime now. These products found excellent fit to its brands– Eveready and PowerCell, which are synonymous with portable energy and lighting. There was also synergy in these products with the existing distribution network of your Company.

At the point of entry to this diversification initiative, the leading products were Compact Fluorescent Lamps (CFL) and General Lighting Service (GLS). However, during the previous year, the category experienced an almost complete shift towards the Light Emitting Diode (LED) bulbs which added a significant technology edge in comparison to the traditional CFL and GLS bulbs. Your Company became part of this technology change which significantly enhanced the product basket being offered by it. After gaining reasonable success with LED bulbs, the Company addressed a growth path in LED based Luminaires and is now addressing a growth path in professional lighting. Initial feedbacks are encouraging and it should be able to chart growth in this category too.

While your Company's distribution in general trade and modern retail provided a good platform to enter this category, expansion has been done to tap the exclusive electrical trade. Further expansion plans are being planned to tap electrical hubs for distribution of Luminaires. Your Company successfully serviced Government tenders worth ₹ 8.92 Crores– for supply of LED based luminaires.

Net sales from this category for the current year stood at ₹ 319.75 Crores – and it is expected that this category will provide significant turnover growth in the years to come.

Packet Tea

The packet tea business continued with its steady performance through leveraging of the distribution network of the Company. Current share of the market stands at 1 – 5 per cent in the various markets of the country. While relatively small in the overall turnover, it provides an important option to distribution in many areas. Sales turnover for the current year stood at ₹ 68.30 Crores. The packet tea segment had a EBIDTA loss during the year. Work is afoot to mitigate this position.

Small Home Appliances

Your Company has recently forayed into the Small Home Appliances segment in line with its strategy to bring in new Products to its selling basket with a view to improving turnover and profitability. Towards this, your Company launched a range of fans and appliance products, namely, Mixer Grinders, Irons, Room Heaters, Juicer Mixer Grinders, Water Heaters, Induction Cookers, Sandwich Makers among many others. It has also launched a range of Air Purifiers to augment the portfolio.

Net sales from this category for the current year stood at ₹ 138.82 Crores and is expected to provide significant turnover growth in the years to come. Your Company successfully serviced Energy Efficiency Services Ltd (EESL) tenders worth ₹ 7.20 Crores –for supply of fans - as part of the scheme to supply to homes at affordable prices.

Diversification of Product Portfolio

Your Company has entered into a Joint Venture with Universal Wellbeing Pte. Limited to engage in the business of manufacturing/importing and marketing of fast moving consumer goods (FMCG) in India. Your Company has acquired 30% shares of the Joint Venture Company, which has been incorporated under the name of Preferred Consumer Products Private Ltd. for the same. Balance 70% has been acquired by Universal Wellbeing Pte. Limited. Universal Wellbeing is one of the leaders in the FMCG market in South East Asia with active presence in several countries. It is part of the Wings Group of Indonesia. It develops, manufactures and sells a wide variety of products in fabric and household care, personal care, skincare, and foods & beverages.

The new venture will market FMCG products using the respective strengths of its shareholders, viz.,the product expertise of Universal Wellbeing and the distribution strength of your Company. It is envisaged that with this Joint Venture, your Company will be able to unlock more value from its vast distribution network and would be able to offer better products of international quality to the Indian consumer.

Prospects

The flat turnover for the year was mainly attributable to the segments of Lighting and Appliances. Lighting turnover was down partially due to supply constraints and partially due to unit price decrease in LED bulbs while Appliances turnover got affected due to lower offtake of certain economy category of products on account of an extended winter.

However, in the medium to long term, the situation is likely to improve as new suppliers are developed for Lighting and as demand for the economy segment of Appliances pick up. Additionally, it is anticipated that the stabilization of the GST regime will bring in higher degree of tax compliance in the country. The battery and flashlight categories, bear the impact of non-compliance with tax laws by unorganized part of the market – either through undervalued dumped imports from China for batteries or gray market local operators in the flashlights market. It is expected that increased compliance to the GST regime will bring such elements into its net thereby eliminating the unfair gap in the pricing structure with tax compliant organizations. As a consequence both batteries and flashlights should show reasonable growth in 2019-20. The introduction of quality standards for all dry cell batteries marketed in India by the Bureau of Indian Standards (BIS) in May 2019 would help the domestic manufacturers from unhealthy competition from the Chinese exporters as their costs would escalate in complying with the quality norms. This, along with projections for a near-normal monsoon in the forthcoming season, should add fillip to the demand. The Company is also confident that it will be able to capture growth in this market, riding on its obvious strengths of premium quality offering, brand and distribution. The outlook on battery and flashlight categories thus remains positive.

Prospects are promising in the Lighting & Electrical products category. This business has become a key focus area and an avenue for growth. As mentioned earlier, the market has now almost entirely shifted from CFL to LED bulbs and luminaires. LED bulbs and LED based Luminaires with higher margins now constitute more than 80% of the category turnover and these will be the growth drivers for the category and the overall business of the Company. This range of new generation lights have been very well accepted by the market and will enhance the Company's efforts towards a fruitful diversification. The outlook is thus upbeat - with potential for both growth and profitability.

Growth will also come from the product segment of appliances with growing disposable incomes and Government's initiative of rural electrification. Though at a nascent stage, initial market response and results have been encouraging.

FINANCE

Tight control was kept over the finances of your Company, through judicious working capital management and operational efficiencies. Your Company remains focused to reduce its borrowings, which stood at ₹ 384.04 Crores at the end of the year.

Your Company met its financial commitments in servicing debt and repayment thereof in a timely manner. Capital expenditure program was fully met.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company, between the end of the financial year of the Company i.e., March 31, 2019 to which the financial statements relate and the date of this Report.

SUBSIDIARIES, ASSOCIATES & CONSOLIDATED FINANCIAL STATEMENTS

Your Company's subsidiary at Hong Kong, Everspark Hong Kong Private Limited registered a turnover of ₹ 86.24 Crores during the current year (₹ 42.47 Crores during FY 2017-18). It earned a profit of ₹ 1.55 Crores during the year.

Another subsidiary, Greendale India Limited (formerly Litez India Ltd.) did not register any revenue from turnover during the current year (₹ 0.12 Crores during FY 2017-18). It incurred a loss of ₹ 0.11 Crores during the year.

Your Company's associate, Preferred Consumer Products Private Limited which was incorporated on June 5, 2018, did not register any revenue from turnover during the current year, However your Company's share of loss amounted to ₹ 0.87 Crores during the year.

A Statement in Form AOC -1 containing the salient features of the said Companies is attached to the Financial Statements in a separate section and forms part of this Report. The separate audited accounts of the said Companies are available on the website of the Company.

The Annual Report includes the audited Consolidated Financial Statements, prepared in compliance with the Companies Act, 2013 and the applicable Accounting Standards, of the subsidiaries and associate. The Consolidated Financial Statements shall be laid before the ensuing 84th Annual General Meeting of the Company along with the laying of the Standalone Financial Statements of the Company.

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

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, forms part of this Report as Annexure 1.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy formulated by your Company is available on the website of the Company (http://www.evereadyindia.com/investor-relations/pdf/csr-policy-14.pdf). This policy, encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The Annual Report on CSR activities to be included in the Report, containing the composition of the CSR Committee, disclosure of the contents of the CSR Policy and the initiatives taken, as well as the expenditure on CSR activities, forms a part of this Report as Annexure 2.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, the Directors state that :

1. in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed with no material departures;

2. the Directors had selected such accounting policies and applied them consistently and made judgments 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 of the Company for that period;

3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. the Directors had prepared the annual accounts on a going concern basis;

5. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

6. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS

Mr. Aniruddha Roy, Ms. Arundhuti Dhar and Mr. Mahesh Shah have been appointed as Independent Directors for a period of five years effective September 17, 2018, May 21, 2019 and May 27, 2019, respectively, subject to the approval of the shareholders at the forthcoming Annual General Meeting. Mr. Aniruddha Roy, Ms. Arundhuti Dhar and Mr. Mahesh Shah, appointed as Additional Directors, will hold office till the ensuing Annual General Meeting and are eligible for their individual appointments as Independent Director(s). Requisite Notices have been received from Members proposing the appointments of the above Independent Directors.

Mr. Subir Ranjan Dasgupta completes his term as Independent Director on July 24, 2019 and is eligible for re-appointment in terms of Section 149 and any other applicable provisions of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2019 (Listing Regulations).

Mr. Sanjiv Goenka, Mr. Sudipto Sarkar, Mrs. Ramni Nirula and Mr. Ajay Kaul, Independent Directors, resigned from the Board of Directors effective September 15, 2018, March 29, 2019, May 20, 2019 and May 24, 2019. The Board records its appreciation of the valuable services rendered by Mr. Goenka, Mr. Sarkar, Mrs. Nirula and Mr. Kaul during their tenures as Directors.

Mr. Brij Mohan Khaitan, Non-Executive Director and Chairman of the Company resigned from the Board of Directors of the Company due to his old age. The Board records that the Company has benefitted immensely with Mr. B. M. Khaitan's exemplary leadership and vision during his long association as Director and Chairman of the Company for over two decades and as a mark of respect towards Mr. Khaitan's leadership and significant contributions to the Company, the Board designated Mr. B. M. Khaitan as 'Chairman Emeritus' of the Company.

Mr. Suvamoy Saha will retire by rotation at the forthcoming Annual General Meeting and is eligible, for re-appointment.

On a Reference Application made by the Central Government to the Company Law Board (CLB) under Section 408 of the Companies Act, 1956, the CLB, by an order dated December 20, 2004 directed the Central Government to appoint three Directors on the Company's Board for three years. As the CLB's order suffers from various legal infirmities, the Company, based on legal advice, has challenged this order of the CLB before the Hon'ble High Court at Calcutta, which has, by an interim order, stayed the operation of the CLB's order. The stay is continuing.

DECLARATIONS BY INDEPENDENT DIRECTORS

Necessary declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed, have been received.

KEY MANAGERIAL PERSONNEL (KMP)

During the year under review there were no changes in the KMP. Subsequently, Mr. Indranil Roy Chowdhury, Senior Vice President – Finance and Mr. Bibhu Ranjan Saha, Senior Vice President – Accounts & Banking, have been designated as Joint Chief Financial Officers of the Company effective May 17, 2019. Mr. Suvamoy Saha remained as Whole time Director of the Company.

REMUNERATION POLICY

The Remuneration Policy is available on the website of the Company(http://www.evereadyindia.com/investor-relations/pdf/remuneration-policy.pdf). This policy for selection and appointment of Directors, Senior Management and their remuneration, includes the criteria for determining qualifications, positive attributes, independence of a Director and other matters as required.

BOARD EVALUATION

The Nomination & Remuneration Committee of the Board of Directors had laid down the criteria for evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship and Corporate Social Responsibility Committees. Annual Performance Evaluations as required, have been carried out. The statement indicating the manner in which formal annual evaluation of the Directors (including Independent Directors), the Board and Board level Committees is given in the Corporate Governance Report, which forms a part of this Annual Report.

MEETINGS

The Board meets regularly to discuss and decide on various matters as required. Due to business exigencies, certain decisions are taken by the Board through circulation from time to time. During the year, five (5) Board Meetings were convened and held. Additionally, several committee meetings as well as Independent Directors' meeting(s) were also held. The details of the Meetings are given in the Corporate Governance Report which forms a part of this Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD

The details with respect to the compositions, powers, roles and terms of reference etc. of relevant Committees of the Board of Directors are also given in the Corporate Governance Report which forms part of this Annual Report. All recommendations made by the Audit Committee during the year were accepted by the Board.

EMPLOYEE RELATIONS

One of your Company's key strengths is its people. Relations with employees remained cordial and satisfactory. Your Board would like to place on record its appreciation of employees for their contributions to the business.

Your Company believes in a system of Human Resource Management which rewards merit based performance and playing an active role in improving employee skills. Actions during the year under review were supportive of this policy.

The details of the ratio of the remuneration of each director to the median employee's remuneration and other particulars and details of employees in terms of Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure 3. The details of the employee's remuneration as required under the said section and Rule 5(2) & 5(3) of the said Rules forms a part of this Report and are available at the Registered Office of the Company during working hours before the Annual General Meeting and shall be made available to any Member on request. Such details are also available on your Company's website. None of the employees listed in the said Annexure is related to any Director of the Company, in terms of the definition of Relatives as provided in the Act.

STATUTORY AUDITORS

Messrs. Price Waterhouse & Co Chartered Accountants LLP (Firm's Registration No. 304026E) have been appointed to hold office as Auditors for a period of 5 continuous years from the conclusion of the 82nd Annual General Meeting till the conclusion of the 87th Annual General Meeting of the Company.

AUDITORS' REPORT

In the Statutory Auditors Report, the Auditors have given a disclaimer of opinion on the basis that they are unable to obtain sufficient appropriate audit evidence regarding the extent of the loss allowance/impairment to be recognized on the inter-corporate deposits and advances and of the potential liability, if any, to be recognized for the corporate guarantees /post-dated cheques, given to/ on behalf of certain Companies (part of the Promoter Group) and the consequential impact of the financial results as at and for the year ended March 31, 2019.

Based on the management's analysis and assumptions, your Directors believe that the Financial Statements for the year ended March 31, 2019 are materially correct. Hence your Directors do not believe that there is any material financial impact of the Disclaimer of Opinion.

With regard the inter-corporate deposits, corporate guarantees and post-dated cheques in favour of banks/other parties who have provided loans to certain companies (part of the promoter group) and advance for assignment of leasehold rights, it is clarified as follows :

- From time to time, these deposits were repaid by the borrowing entities to the Company on demand. However, some of these deposits amounting to ₹ 19,929 lakhs and interest outstanding thereon amounting to ₹ 3,150 lakhs are lying outstanding as at March 31, 2019.
- The liability on the outstanding amount of the corporate guarantees/post-dated cheques being ₹ 29,400 lakhs as at March 31, 2019, will not arise till the concerned borrower (s) default in their payment obligations.
- Repayment of these deposits and the guarantees/post-dated cheques given to/on behalf of these companies along with future interest have been guaranteed by certain promoter Directors of the Company, in the event of a default by the said Companies to pay the dues. Furthermore, a promoter group level restructuring is under way to monetize assets to meet up the various liabilities of the companies (part of the promoter group) including the outstanding advances and any potential liability related to the guarantees/post-dated cheques, due to the Company. Your Directors therefore believe that the outstanding dues shall be recovered and no provision is required at this stage.
- The assignment of leasehold rights will be completed subject to completion of due diligence. If the Company decides to not proceed with the transaction or the Assignor fails to make out a clear and marketable title or execute the deed of assignment, the Company has the right to rescind/ cancel the MOU, basis which the Assignor has to refund any money paid by the Company as part payment towards the total consideration.

The Auditors have drawn attention of the Members on the penalty imposed by Competition Commission of India (CCI), the matter of which is covered elsewhere in the Report and also in the Notes on accounts,

INTERNAL FINANCIAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of the business operations. The Statutory Auditors have given their disclaimer of opinion on the financial reporting in their Report on the effectiveness of the Company's internal financial controls with reference to the financial statements over its assessment of the recoverability of the advances given as abovementioned and of its assessment of the liability to be recognized for the for the corporate guarantees/post dated cheques and of the loss allowance/ impairment provisions. Your Directors re-iterate their clarifications on the same as above mentioned elsewhere in the Report.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 (the Act) read with the

Companies (Cost Records and Audit) Amendment Rules, 2014, your Directors, have appointed M/s. Mani & Co., Cost Accountants, Registration No. 00004, Ashoka, 111 Southern Avenue, Kolkata 700 029, (being eligible for the appointment), to audit the cost accounts of the Company for the financial year ending March 31, 2020. The remuneration payable to the Cost Auditors for the said year is being placed for ratification by the Members at the forthcoming Annual General Meeting. The Company maintains necessary cost records as specified under Section 148(1) of the Act in respect of the specified products.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit of the Company for the financial year 2018-19 was conducted by M/s MKB & Associates, a firm of Company Secretaries in Practice. There are no Audit Qualifications/Reservations/Adverse Remarks in the Secretarial Audit Report as annexed elsewhere in this Annual Report. The Secretarial Audit Report forms a part of this Report as Annexure 4.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and forms a part of this Report.

PARTICULARS OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS WITH RELATED PARTIES

Related party transactions entered into, during the year under review were on arm's length basis, in the ordinary course of business, for the operational and administrative benefits of the Company. There were no contracts/ arrangements/transactions with related parties which could be considered as material and which may have a potential conflict with the interest of the Company at large. Accordingly, no contracts/arrangements/transactions are being reported in Form AOC-2. Details on related party disclosures are further given in the Corporate Governance Report, which forms a part of this Report.

RISK MANAGEMENT

Your Directors have approved various Risk Management Policies. All material risks faced by the Company are identified and assessed by the Risk Management Steering Committee. For each of the risks identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting the risks on a periodic basis.

VIGIL MECHANISM

Your Directors have adopted a Vigil Mechanism/Whistle Blower Policy. The Policy has been posted on the website of the Company. None of the Company's personnel have been denied access to the Audit Committee.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 forms a part of this Report as Annexure 5 and is available on the website of the Company (http://www.evereadyindia.com/investor-relations/pdf/extract of annual return.pdf).

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Competition Commission of India ("CCI") issued an Order dated April 19, 2019, imposing penalty on certain zinc carbon dry cell battery manufacturers, concerning contravention of the Competition Act, 2002 (The Act). The penalty imposed on your Company was ₹ 171.55 Crores. Your Company filed an appeal and stay application before the National Company Law Appellate Tribunal, New Delhi, (NCLAT) against the CCI's said Order. The NCLAT vide its order dated May 09, 2019, has stayed the penalty with the direction of depositing 10% of the penalty amount within 15 days with the Registrar of the NCLAT which has been duly deposited by your Company.

Based on legal advice received by your Company, it is believed that, given the factual background and the judicial precedents, there are reasonable grounds on the basis of which the NCLAT will allow the appeal and accordingly, the Company is hopeful on adjudication upon the quantum of penalty imposed or remand to the CCI for de novo consideration. However, at this stage it is not possible for your Company to quantify or make a reliable estimate of the quantum of penalty that may be finally imposed on your Company. It may be noted that a certain amount of penalty will be levied on the Company as it had also earlier filed an application under the Lesser Penalty Regulations under the Act.

In terms of the aforesaid legal advice, your Company has been advised that the matter should be recognized as a contingent liability as defined under Ind-AS 37 and there should be no adjustment required in the financial statements of the Company in accordance with Ind-AS 10. Accordingly, pending the final disposal of the appeal, the amount has been disclosed as contingent liability in the accounts for the year under review.

Other than the aforesaid, there have been no significant and material orders passed by the Regulators, Courts or Tribunals which impact the going concern status and Company's operations in future.

OTHER DISCLOSURES

During the year under review :

a. There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee constituted in terms of the said Act, continues to be in place.

b. Your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

c. There was no change in the share capital or the nature of business of the Company.

d. The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT ON CORPORATE GOVERNANCE

A Management Discussion and Analysis Report and a Report on Corporate Governance are presented in separate sections, forming part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT/ DIVIDEND DISTRIBUTION POLICY

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Business Responsibility Report and the Dividend Distribution Policy are not applicable to the Company for the financial year ended March 31, 2019 and no such Report is presented. However, the Dividend Distribution Policy is available on the website of the Company (http://www.evereadyindia.com/investor-relations/pdf/dividend distribution policy.pdf).

For and on behalf of the Board of Directors

	Suvamoy Saha	**Amritanshu Khaitan**
Kolkata	Wholetime Director	Managing Director
May 27, 2019	(DIN:00112375)	(DIN:00213413)

ANNEXURE 1

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

Information in accordance with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2019.

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

Energy Conservation continued to be an area of priority. Despite of 6.5% increase in production volume, there has been a total savings on electricity units of 1 % over last year primarily on account of higher production volumes from Energy Efficient Machines at Assam. Some of the other energy saving techniques adopted across the locations include usage of LED lightings, Energy efficient motors, Variable Frequency Drives, Energy Audits and Process improvements to augment productivity and thereby reduce specific energy consumption.

(ii) Steps taken by the Company for utilising alternate sources of energy:

In the process of exploring for setting up roof top solar plants at one of the plant locations.

(iii) Capital investment on energy conservation equipments: Nil

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

a. Research carried out for development and improvement in product performance, import substitution and environment friendly products.
b. Developed AA size in PVC jacket
c. Developed new sources of Natural Manganese Dioxide for material substitution.
d. Developed alternate source for Acetylene Black, a critical ingredient for battery manufacturing.
e. Developed import substitutes for battery components.
f. Comprehensive Process Audits were regularly carried out in all manufacturing locations to ensure Process compliance to quality norms.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

The potential benefits derived from R&D are stated below:

a. Cost effective alternate sources developed.
b. Reduction in manufacturing costs.
c. Consistency and Quality Improvement of the Product.

(iii) Information regarding imported technology (imported during the last three years): NIL

(iv) Expenditure incurred on Research and Development:

₹ Crores

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a. Capital	0.45	-
b. Recurring	5.28	5.39
Total	**5.73**	**5.39**
Total % of Turnover	0.40%	0.37%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned and the Foreign Exchange Outgo:

₹ Crores

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Foreign Exchange Inflow	11.15	6.85
Foreign Exchange Outflow	188.25	212.51

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director
(DIN:00112375)

Amritanshu Khaitan
Managing Director
(DIN:00213413)

Kolkata
May 27, 2019

ANNEXURE 2

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company's Corporate Social Responsibility (CSR) Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. In alignment with the vision of the Company, EIIL, through its CSR initiatives, strives to create and enhance value in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth and development and welfare for the society and community at large, more specifically for the deprived and underpriviledged persons.

The main objective of the Policy is to establish and lay down the basic principles and the general framework of action for the Company to undertake and fulfill its Corporate Social Responsibility. The Policy functions as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms. In brief, the Policy provides inter alia, the following :

a. CSR Activities identified are related to the activities included in the Companies Act, 2013 (the Act) and the Companies (CSR Policy) Rules 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programs or activities that benefit only the employees of the Company and their families.
b. CSR Activities may be through a registered Trust or a registered society or a company established by the Company under section 8 of the Act, subject to provisions in the Act and the CSR Rules.
c. The Company may also collaborate with other Companies for undertaking projects or programmes for CSR activities in such manner as provided.

d. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities but does not include any expenditure on an item not in conformity with the CSR Policy.

e. CSR expenditure of at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of CSR Policy.

f. CSR expenditure exclude any amount contributed, directly or indirectly to any political party u/s 182 of the Act.

g. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

h. Monitoring and Feedback Process.

Being aware of its CSR the Company continues to be associated with a unique sustainable initiative- "En-Light a Girl Child" with the objective of addressing two crucial issues, one of perennial darkness in the rural households and the other of Girl Child Empowerment. In addition the Company has also undertaken further CSR activities for the purpose of eradication of hunger and poverty and promotion of education, education for rural development, health care and rural development, details of which are provided below.

The Policy is available on the Company's website at http://www.evereadyindia.com/investor-relations/pdf/csr-policy-14.pdf.

2. The Composition of the CSR Committee :

As on March 31, 2019, the Corporate Social Responsibility (CSR) Committee of the Board comprises of Mr. Amritanshu Khaitan (Chairman), Mr. Suvamoy Saha and Mr. Subir Ranjan Dasgupta.

3. Average net profit of the Company for the last three financial years : ₹ 8,353.19 lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 167.06 lakhs

5. Details of CSR spent during the financial year :

(a) Total amount to be spent for the financial year : Prescribed amount

(b) Amount unspent, if any: Not Applicable

(c) Manner in which the amount spent during the financial year is detailed below :

₹ Lakhs

1	2	3	4	5	6	7	8
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programmes were undertaken**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes Sub heads: (1) Direct expenditure on projects or programmes. (2) Overheads**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
1.	Food for Hungry	Eradication of Hunger and Poverty	(1) Local Area (2) West Bengal (Kolkata, South 24 Parganas, Hooghly, Howrah)	107.00	(1) 106.39	106.39	Direct and Implementing Agency*
2.	Education including Special Education	Promoting of Education	(1) Other Area (2) Telangana (Hyderabad)	10.00	(1) 10.00	10.00	Direct and Implementing Agency*
3.	Empowerment, development and health care for underprivileged	Promoting Health Care for underprivileged persons	(1) Local Area (2) West Bengal (Kolkata)	2.00	(1) 2.00	2.00	Direct and Implementing Agency*
4.	Rural Development	Promoting of rural Development	(1) Other Area (2) Kerala (Kochi)	1.50	(1) 1.27	1.27	Direct and Implementing Agency*
5.	Enlight a Girl Child & Education for Rural Development	Development and Empowerment of Women Promoting of Education & Rural Development	(1) Local Area (2) West Bengal (Kolkata, South 24 Parganas, Hooghly and other Rural areas) (1) Other Area (2) Pan India	52.50	(1) 52.14	52.14	Direct and Implementing Agency*
					(2) -		
	TOTAL			**173.00**	**171.80**	**171.80**	

* The Company's CSR projects and programs are carried out both directly and also implemented through implementing agencies such as eminent NGOs and Trusts such as MCKS Food for Hungry Foundation, Bharat Sevashram Sangha, Caddies Benevolent Trust, Rotary International and Udbhav School.

6. Reasons for failing to spend the two per cent of the average net profit of the last three financial years or any part thereof : Not Applicable

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Amritanshu Khaitan
Managing Director
Chairman- CSR Committee

Kolkata
May 27, 2019

ANNEXURE 3

REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

Pursuant to Section 197(2) of the Companies Act, 2013 (the Act), read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees and other details in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr. Amritanshu Khaitan - Managing Director (MD)	143.3:1
		Mr. S. Saha - Wholetime Director (WTD)	103.6:1
		Mr. B. M. Khaitan - Non-Executive Director	0.4:1
		Mr. A. Khaitan - Non-Executive Director	1.3:1
		Mr. S. R. Dasgupta - Non-Executive Director	2.1:1
		Mr. S. Sarkar - Non-Executive Director	0.6:1
		Mr. S. Goenka - Non-Executive Director	0.0:1
		Mrs. R. Nirula - Non-Executive Director	1.1:1
		Mr. A. Kaul - Non-Executive Director	0.8:1
		Mr. A. Roy - Non-Executive Director	0.9:1
		Remuneration of Non-Executive Directors constitutes of Sitting Fees received for attending Board/Committee Meetings for 2018-19	
2.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	No increase Non-Executive Directors - NA No increase to Non-Executive Directors who have only received sitting fees for attending Board/Committee Meetings for 2018-19 and profit based commission for 2018-19 (2017-18 – ₹ 1 Lakh per NED) – hence not applicable	
3.	The percentage increase in the median remuneration of employees in the financial year	No increase	
4.	The number of permanent employees on the rolls of the Company	2431	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No increase - hence not applicable	
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, affirmed.	

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director
(DIN:00112375)

Amritanshu Khaitan
Managing Director
(DIN:00213413)

Kolkata
May 27, 2019

ANNEXURE 4

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

For the financial year ended March 31, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Eveready Industries India Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EVEREADY INDUSTRIES INDIA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
   b) SEBI (Prohibition of Insider Trading) Regulations 2015
   c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
   d) SEBI (Share Based Employee Benefits) Regulations, 2014
   e) SEBI (Issue and Listing of Debt Securities) Regulations, 2008
   f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
   g) SEBI (Delisting of Equity Shares) Regulations, 2009
   h) SEBI (Buyback of Securities) Regulations, 2018
   i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

   a) The Trade Marks Act, 1999
   b) The Legal Metrology Act, 2009
   c) The Food Safety and Standards Act, 2006

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

d) The Competition Commission of India has imposed a penalty of ₹ 171.55 Crores on the Company, concerning contravention of the Competition Act, 2002. The Company has preferred an appeal against the said Order and same is pending.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has passed a special resolution under section 186 of the Companies Act, 2013 to give loans, guarantee or provide security in connection with loan or acquire subscription of securities upto an aggregate sum of ₹ 500 Crores (Rupees Five Hundred Crores only) or limits prescribed under the Act, whichever is higher.

This report is to be read with our letter of even date which is annexed as Annexure – A, which forms an integral part of this report.

For MKB & Associates
Company Secretaries

Manoj Kumar Banthia
(Partner)
ACS No. 11470
COP No. 7596
FRN: P2010WB042700

Kolkata
May 27, 2019

ANNEXURE – A

To
The Members,
Eveready Industries India Limited

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and the Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries

Manoj Kumar Banthia
(Partner)
ACS No. 11470
COP No. 7596
FRN: P2010WB042700

Kolkata
May 27, 2019

ANNEXURE 5

FORM NO. MGT- 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

i)	CIN	:	L31402WB1934PLCOO7993
ii)	Registration Date	:	June 20,1934
iii)	Name of the Company	:	Eveready Industries India Ltd.
iv)	Category/Sub-category of the Company	:	Public Limited having Share Capital
v)	Address of the Registered office and contact details	:	1 Middleton Street, Kolkata 700 071 Phone No.: (033) 2288-3950, Fax No.: (033) 2288-4059, E-mail: investorrelation@eveready.co.in
vi)	Whether listed Company	:	Yes, Listed on BSE, NSE & CSE
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any	:	Maheshwari Datamatics Private Limited, 23, R. N. Mukherjee Road, Kolkata - 700 001. Phone No. (033) 2248-2248, 2243-5029, Fax No. (033) 2248-4787, Email - mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products, small home appliances and confectioneries which come under a single business segment known as Consumer Goods.

Sl. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company
1.	Dry Cell Batteries	27201	50.34%
2.	Flashlight (Torches)	27400	11.92%
3.	Lighting and Electricals	27400	21.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Everspark Hong Kong Private Limited	1402757	Subsidiary	100%	2(87)
2.	Greendale India Limited (formerly Litez India Limited)	U15100WB2011PLC162493	Subsidiary	100%	2(87)
3.	Preferred Consumer Products Private Limited	U15549WB2018FTC226421	Associate	30%	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on April 1, 2018]				No of Shares held at the end of the year [As on March 31, 2019]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1. Indian									
a) Individual/ HUF	8,53,458		8,53,458	1.17	8,53,458		8,53,458	1.17	0.00
b) Central Govt.									
c) State Govt(s)									
d) Bodies Corp.*	3,11,62,537		3,11,62,537	42.87	3,12,05,437		3,12,05,437	42.93	0.06
e) Banks/FI									
f) Any other									
Sub-Total (A)(1)	**3,20,15,995**		**3,20,15,995**	**44.04**	**3,20,58,895**		**3,20,58,895**	**44.10**	**0.06**
2. Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)									
TOTAL SHAREHOLDING OF PROMOTER* (A)=(A)(1)+(A)(2)	**3,20,15,995**		**3,20,15,995**	**44.04**	**3,20,58,895**		**3,20,58,895**	**44.10**	**0.06**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	93,90,374		93,90,374	12.92	32,13,200		32,13,200	4.42	(8.50)
b) Banks/FI	48,298	26,657	74,955	0.10	17,25,034	26,321	17,51,355	2.41	2.31
c) Central Govt		277	277	0.00	200	277	477	0.00	0.00
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	15,45,175		15,45,175	2.13	0.00		0.00	0.00	(2.13)
g) FIIs/FPIs	1,22,97,449		1,22,97,449	16.92	1,40,56,333		1,40,56,333	19.34	2.42
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds	29,67,907		29,67,907	4.08	25,45,005	400	25,45,405	3.50	(0.58)
Sub-Total (B)(1)	**2,62,49,203**	**26,934**	**2,62,76,137**	**36.15**	**2,15,39,772**	**26,998**	**2,15,66,770**	**29.67**	**(6.48)**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	18,51,416	52,826	19,04,242	2.62	37,11,968	51,757	37,63,725	5.18	2.56
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	87,01,148	8,38,447	95,39,595	13.13	85,99,954	7,16,121	93,16,075	12.82	(0.30)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	12,67,178	42,426	13,09,604	1.80	26,49,130		26,49,130	3.64	1.84
c) Others (Specify)									
Non Resident Indians	6,84,024	1,10,435	7,94,459	1.09	6,05,041	26,457	6,31,498	0.87	(0.22)
Foreign Nationals	4,615		4,615	0.01	17		17	0.00	(0.01)
Clearing Members	57,081		57,081	0.08	14,44,626		14,44,626	1.99	1.91
Trusts	24,932		24,932	0.03	3,18,223		3,18,223	0.44	0.41
NBFCs registered with RBI	1,24,115		1,24,115	0.17	1,78,279		1,78,279	0.25	0.08
Employee Trusts									
Unclaimed Suspense Account		35,514	35,514	0.05	23,070		23,070	0.03	(0.02)
Investor Education and Protection Fund Authority	6,00,971		6,00,971	0.83	7,36,952		7,36,952	1.01	0.18
Sub-total(B)(2)	**1,33,15,480**	**10,79,648**	**1,43,95,128**	**19.81**	**1,82,67,260**	**7,94,335**	**1,90,61,595**	**26.23**	**6.42**
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+ (B)(2)	**3,95,64,683**	**11,06,582**	**4,06,71,265**	**55.96**	**3,98,07,032**	**8,21,333**	**4,06,28,365**	**55.90**	**(0.06)**
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
GRAND TOTAL (A+B+C)	**7,15,80,678**	**11,06,582**	**7,26,87,260**	**100.00**	**7,18,65,927**	**8,21,333**	**7,26,87,260**	**100.00**	**0.00**

** Refer Note on page 21*

ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Williamson Magor & Co. Limited	1,70,07,841	23.40	41.16	1,70,30,741	23.43	54.15	0.03
2.	Williamson Financial Services Limited	63,70,988	8.76	29.16	63,90,988	8.79	38.51	0.03
3.	Bishnauth Investments Limited	41,48,246	5.71	79.55	41,48,246	5.71	79.55	0.00
4.	McLeod Russel India Limited	16,63,289	2.29	0.00	16,63,289	2.29	0.00	0.00
5.	Babcock Borsig Limited	9,87,484	1.36	99.24	9,87,484	1.36	99.24	0.00
6.	Bennett, Coleman And Company Limited*	3,07,400	0.42	0.00	3,07,400	0.42	0.00	0.00
7.	Kilburn Engineering Limited	2,71,337	0.37	0.00	2,71,337	0.37	0.00	0.00
8.	Yashodhara Khaitan	2,35,945	0.32	0.00	2,35,945	0.32	0.00	0.00
9.	Aditya Khaitan	2,32,266	0.32	0.00	2,32,266	0.32	0.00	0.00
10.	Ichamati Investments Ltd	1,71,113	0.24	0.00	1,71,113	0.24	0.00	0.00
11.	Amritanshu Khaitan	1,65,000	0.23	0.00	1,65,000	0.23	0.00	0.00
12.	Vanya Khaitan	1,64,650	0.23	0.00	1,64,650	0.23	0.00	0.00
13.	United Machine Co. Ltd.	1,16,443	0.16	0.00	1,16,443	0.16	0.00	0.00
14.	Zen Industrial Services Limited	85,366	0.12	0.00	85,366	0.12	0.00	0.00
15.	Brij Mohan Khaitan	35,897	0.05	0.00	35,897	0.05	0.00	0.00
16.	Nitya Holdings & Properties Ltd.	30,000	0.04	0.00	30,000	0.04	0.00	0.00
17.	Isha Khaitan	17,500	0.02	0.00	17,500	0.02	0.00	0.00
18.	Dufflaghur Investments Limited	3,030	0.00	0.00	3,030	0.00	0.00	0.00
19.	Kavita Khaitan	2,200	0.00	0.00	2,200	0.00	0.00	0.00
	TOTAL	**3,20,15,995**	**44.04**	**41.03**	**3,20,58,895**	**44.10**	**49.80**	**0.06**

**Refer Note on Page 21*

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

Sl No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Williamson Magor and Co. Limited				
	At the beginning of the Year	1,70,07,841	23.40	1,70,07,841	23.40
	As on 28/09/2018 - Transfer			1,72,07,841	0.24
	As on 15/03/2019 - Transfer			1,70,30,741	23.43
	At the end of the Year			1,70,30,741	23.43
2.	Williamson Financial Services Limited				
	At the beginning of the Year	63,70,988	8.76	63,70,988	8.76
	06/07/2018 - Transfer			63,90,988	8.79
	At the end of the Year			63,90,988	8.79
3.	Bishnauth Investments Limited				
	At the beginning of the Year	41,48,246	5.71	41,48,246	5.71
	At the end of the Year (No Change)			41,48,246	5.71
4.	McLeod Russel India Ltd				
	At the beginning of the Year	16,63,289	2.29	16,63,289	2.29
	At the end of the Year (No Change)			16,63,289	2.29
5.	Babcock Borsig Limited				
	At the beginning of the Year	9,87,484	1.36	9,87,484	1.36
	At the end of the Year (No Change)			9,87,484	1.36
6.	Bennett, Coleman And Company Limited*				
	At the beginning of the Year	3,07,400	0.42	3,07,400	0.42
	At the end of the Year (No Change)			3,07,400	0.42
7.	Kilburn Engineering Ltd				
	At the beginning of the Year	2,71,337	0.37	2,71,337	0.37
	At the end of the Year (No Change)			2,71,337	0.37

Sl No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8.	Yashodhara Khaitan				
	At the beginning of the Year	2,35,945	0.32	2,35,945	0.32
	At the end of the Year (No Change)			2,35,945	0.32
9.	Aditya Khaitan				
	At the beginning of the Year	2,32,266	0.32	2,32,266	0.32
	At the end of the Year (No Change)			2,32,266	0.32
10.	Ichamati Investments Ltd.				
	At the beginning of the Year	1,71,113	0.24	1,71,113	0.24
	At the end of the Year (No Change)			1,71,113	0.24
11.	Amritanshu Khaitan				
	At the beginning of the Year	1,65,000	0.23	1,65,000	0.23
	At the end of the Year (No Change)			1,65,000	0.23
12.	United Machine Co Ltd				
	At the beginning of the Year	1,16,443	0.16	1,16,443	0.16
	At the end of the Year (No Change)			1,16,443	0.16
13.	Zen Industrial Services Limited				
	At the beginning of the Year	85,366	0.12	85,366	0.12
	At the end of the Year (No Change)			85,366	0.12
14.	Brij Mohan Khaitan				
	At the beginning of the Year	35,897	0.05	35,897	0.05
	At the end of the Year (No Change)			35,897	0.05
15.	Nitya Holdings & Properties Ltd				
	At the beginning of the Year	30,000	0.04	30,000	0.04
	At the end of the Year (No Change)			30,000	0.04
16.	Isha Khaitan				
	At the beginning of the Year	17,500	0.02	17,500	0.02
	At the end of the Year (No Change)			17,500	0.02
17.	Dufflaghur Investments Limited				
	At the beginning of the Year	3,030	0.00	3,030	0.00
	At the end of the Year (No Change)			3,030	0.00
18.	Kavita Khaitan				
	At the beginning of the Year	2,200	0.00	2,200	0.00
	At the end of the Year (No Change)			2,200	0.00
19.	Vanya Khaitan				
	At the beginning of the Year	1,64,650	0.23	1,64,650	0.23
	At the end of the Year (No Change)			164,650	0.23

**Bennett, Coleman and Company Ltd. (BCCL) has vide their letter dated December 28, 2015, requested the Company to reclassify their shareholding of 307,400 equity shares aggregating to 0.42% of the paid up capital of the Company, from the Promoter and Promoter Group of the Company and to include the same in the 'Public' shareholding. Accordingly, the Company has vide its Board Resolution passed by Circulation dated December 30, 2015 agreed to reclassify the said shareholding of BCCL in the Company. The Company has vide their letter dated December 30, 2015 submitted the said letter of BCCL to BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited ("Stock Exchanges") and requested the Stock Exchanges to take on record the said reclassification as required under Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In furtherance to the abovementioned letter, the Company had filed an Application for Reclassification on August 9, 2016 before all the Stock Exchanges. The Company has received approval letter for Reclassification of the said shares from BSE Limited via its letter dated August 19, 2016 and is awaiting for the approval of National Stock Exchange Limited and The Calcutta Stock Exchange Limited.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Life Insurance Corporation of India #				
	At the beginning of the Year	6,94,816	0.96	6,94,816	0.96
	At the end of the Year			6,94,816	0.96
2.	DSP Blackrock Small Cap Fund #				
	At the beginning of the Year	46,32,608	6.37	46,32,608	6.37
	14/12/2018 - Transfer			44,90,404	6.18
	21/12/2018 - Transfer			43,63,483	6.00
	28/12/2018 - Transfer			43,50,390	5.99
	31/12/2018 - Transfer			43,45,293	5.98
	04/01/2019 - Transfer			43,12,708	5.93
	25/01/2019 - Transfer			43,11,838	5.93
	15/02/2019 - Transfer			36,82,633	5.07
	22/02/2019 - Transfer			35,81,501	4.93
	01/03/2019 - Transfer			34,55,048	4.75
	08/03/2019 - Transfer			6,22,883	0.86
	15/03/2019 - Transfer			4,11,763	0.57

Sl No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	22/03/2019 - Transfer			3,63,504	0.50
	29/03/2019 - Transfer			1,27,174	0.17
	At the end of the Year			1,27,174	0.17
3.	Kotak Emerging Equity Scheme				
	At the beginning of the Year	19,36,455	2.66	19,36,455	2.66
	20/04/2018 - Transfer			19,56,455	2.69
	11/05/2018 - Transfer			20,01,007	2.75
	18/05/2018 - Transfer			20,07,672	2.76
	08/06/2018 - Transfer			20,16,588	2.77
	13/07/2018 - Transfer			20,21,904	2.78
	20/07/2018 - Transfer			20,99,745	2.89
	27/07/2018 - Transfer			21,80,877	3.00
	03/08/2018 - Transfer			21,88,181	3.01
	24/08/2018 - Transfer			22,09,095	3.04
	12/10/2018 - Transfer			22,09,853	3.04
	19/10/2018 - Transfer			22,43,440	3.09
	02/11/2018 - Transfer			23,27,001	3.20
	09/11/2018 - Transfer			23,23,693	3.20
	16/11/2018 - Transfer			22,98,690	3.16
	15/02/2019 - Transfer			22,48,690	3.09
	At the end of the Year			22,48,690	3.09
4.	Franklin Templeton Mutual Fund A/C Templeton India Growth Fund #				
	At the beginning of the Year	10,70,454	1.47	10,70,454	1.47
	04/01/2019 - Transfer			10,13,561	1.39
	11/01/2019 - Transfer			9,58,856	1.32
	18/01/2019 - Transfer			7,78,856	1.07
	25/01/2019 - Transfer			6,70,316	0.92
	01/02/2019 - Transfer			6,43,659	0.89
	08/02/2019 - Transfer			5,37,203	0.74
	15/02/2019 - Transfer			5,20,743	0.72
	22/02/2019 - Transfer			2,21,150	0.30
	08/03/2019 - Transfer			1,00,000	0.14
	At the end of the Year			1,00,000	0.14
5.	Franklin Templeton Investment Funds				
	At the beginning of the Year	34,09,258	4.69	34,09,258	4.69
	11/05/2018 - Transfer			42,09,258	5.79
	05/10/2018 - Transfer			43,81,914	6.03
	12/10/2018 - Transfer			47,71,914	6.57
	At the end of the Year			47,71,914	6.57
6.	SBI Consumption Opportunities Fund				
	At the beginning of the Year	8,87,956	1.22	8,87,956	1.22
	10/08/2018 - Transfer			7,17,096	0.99
	31/08/2018 - Transfer			7,11,667	0.98
	07/09/2018 - Transfer			6,11,020	0.84
	23/11/2018 - Transfer			150	0.00
	30/11/2018 - Transfer			7,15,150	0.98
	At the end of the Year			7,15,150	0.98
7.	Amundi Funds SBI Fm Equity India #				
	At the beginning of the Year	12,00,000	1.65	12,00,000	1.65
	27/04/2018 - Transfer			10,91,873	1.50
	04/05/2018 - Transfer			8,03,454	1.11
	11/05/2018 - Transfer			7,36,401	1.01
	18/05/2018 - Transfer			6,80,383	0.94
	25/05/2018 - Transfer			6,59,145	0.91
	01/06/2018 - Transfer			6,44,863	0.89
	22/06/2018 - Transfer			6,16,624	0.85
	29/06/2018 - Transfer			6,11,760	0.84
	13/07/2018 - Transfer			4,21,566	0.58
	20/07/2018 - Transfer			4,16,037	0.57
	27/07/2018 - Transfer			19,471	0.03
	03/08/2018 - Transfer			0	0.00
	At the end of the Year			0	0.00

Sl No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8.	India Opportunities Growth Fund Ltd - Pinewood Strategy *				
	At the beginning of the Year	0	0.00	0	0.00
	11/05/2018 - Transfer			10,000	0.01
	28/09/2018 - Transfer			0	0.00
	08/03/2019 - Transfer			7,00,000	0.96
	At the end of the Year			7,00,000	0.96
9.	DSP Blackrock Core Fund				
	At the beginning of the Year	6,55,537	0.90	6,55,537	0.90
	27/04/2018 - Transfer			7,16,426	0.99
	15/06/2018 - Transfer			8,60,654	1.18
	03/08/2018 - Transfer			11,49,254	1.58
	14/12/2018 - Transfer			11,14,199	1.53
	21/12/2018 - Transfer			10,82,872	1.49
	28/12/2018 - Transfer			10,79,621	1.49
	31/12/2018 - Transfer			10,78,371	1.48
	04/01/2019 - Transfer			10,70,296	1.47
	25/01/2019 - Transfer			10,70,057	1.47
	15/02/2019 - Transfer			4,49,410	0.62
	22/02/2019 - Transfer			3,47,490	0.48
	01/03/2019 - Transfer			2,16,231	0.30
	08/03/2019 - Transfer			29,062	0.04
	15/03/2019 - Transfer			19,207	0.03
	22/03/2019 - Transfer			16,955	0.02
	29/03/2019 - Transfer			5,955	0.01
	At the end of the Year			5,955	0.01
10.	Goldman Sachs India Limited *				
	At the beginning of the Year	0	0.00	0	0.00
	18/01/2019 - Transfer			17,80,000	2.45
	25/01/2019 - Transfer			18,75,904	2.58
	At the end of the Year			18,75,904	2.58
11.	Malabar India Fund Limited				
	At the beginning of the Year	9,26,095	1.27	9,26,095	1.27
	At the end of the Year			9,26,095	1.27
12.	Motilal Oswal Focused Emergence Fund				
	At the beginning of the Year	10,00,000	1.38	10,00,000	1.38
	06/07/2018 - Transfer			11,20,000	1.54
	13/07/2018 - Transfer			12,00,000	1.65
	At the end of the Year			12,00,000	1.65
13.	Amansa Holdings Private Limited				
	At the beginning of the Year	40,00,000	5.50	40,00,000	5.50
	11/05/2018 - Transfer			30,47,374	4.19
	18/05/2018 - Transfer			30,37,842	4.18
	01/06/2018 - Transfer			30,10,008	4.14
	15/06/2018 - Transfer			28,55,823	3.93
	22/06/2018 - Transfer			27,96,887	3.85
	At the end of the Year			27,96,887	3.85
14.	Mukul Mahavir Agrawal *				
	At the beginning of the Year	0	0.00	0	0.00
	15/02/2019 - Transfer			5,50,000	0.76
	08/03/2019 - Transfer			7,00,000	0.96
	At the end of the Year			7,00,000	0.96
15.	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs *				
	At the beginning of the Year	6,00,971	0.83	6,00,971	0.83
	23/11/2018 - Transfer			7,33,893	1.01
	30/11/2018 - Transfer			7,36,952	1.01
	At the end of the Year			7,36,952	1.01

* Not in the list of Top 10 shareholders as on April 1, 2018 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2019.

\# Ceased to be in the list of Top 10 shareholders as on March 31, 2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2018.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Brij Mohan Khaitan				
	At the beginning of the Year	35,897	0.05	35,897	0.05
	At the end of the Year			35,897	0.05
2.	Aditya Khaitan				
	At the beginning of the Year	2,32,266	0.32	2,32,266	0.32
	At the end of the Year			2,32,266	0.32
3.	Amritanshu Khaitan				
	At the beginning of the Year	1,65,000	0.23	1,65,000	0.23
	At the end of the Year			1,65,000	0.23
4.	Subir Ranjan Dasgupta				
	At the beginning of the Year	27,600	0.04	27,600	0.04
	At the end of the Year			27,600	0.04
5.	Ajay Kaul				
	At the beginning of the Year	2,473	0.00	2,473	0.00
	20/04/2018 - Transfer			2,884	0.00
	17/08/2018 - Transfer			2,260	0.00
	28/09/2018 - Transfer			203	0.00
	05/10/2018 - Transfer			0	0.00
	At the end of the Year			0	0.00
6.	Tehnaz Punwani				
	At the beginning of the Year	500	0.00	500	0.00
	At the end of the Year			500	0.00

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	14,710.57	-	-	14,710.57
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	91.10	-	-	91.10
TOTAL (i+ii+iii)	**14,801.67**	**-**	**-**	**14,801.67**
Change in Indebtedness during the financial year				
• Addition	17,500.00	51,400.00	-	68,900.00
• Reduction	6,688.10	45,500.00	-	52,188.10
Net Change	25,613.57	5,900.00	-	31,513.57
Indebtedness at the end of the financial year				
i) Principal Amount	30,114.99	5,900.00	-	36,014.99
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	65.84	18.15	-	83.99
TOTAL (i+ii+iii)	**30,180.83**	**5,918.15**	**-**	**36,098.98**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ Lakhs

Sl No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. A. Khaitan	Mr. S. Saha	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	361.80	261.00	622.80
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	49.92	36.95	86.87
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify…			
5.	Others, please specify			
	TOTAL (A)	**411.72**	**297.95**	**709.67**
	Ceiling as per the Act	5%	5%	10%

B. Remuneration to other Directors:

₹ Lakhs

Sl No	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	S.R. Dasgupta	S. Goenka	S. Sarkar	R. Nirula	A. Kaul	A. Roy	
	• Fee for attending board committee meetings	4.30	0.00	1.40	2.80	2.00	1.20	11.70
	• Commission	1.00	0.00	0.00	0.00	0.00	1.00	2.00
	• Others, please specify							
	TOTAL (1)	**5.30**	**0.00**	**1.40**	**2.80**	**2.00**	**2.20**	**13.70**
Sl No	**Particulars of Remuneration**	**Name of Directors**						**Total Amount**
2.	Other Non-Executive Directors				B. M. Khaitan	A. Khaitan		
	• Fee for attending board committee meetings				1.00	2.40		3.40
	• Commission				0.00	1.00		1.00
	• Others, please specify							
	TOTAL (2)				**1.00**	**3.40**		**4.40**
	TOTAL (B)=(1+2)							**18.10**
	Total Managerial Remuneration (A+B)							**727.77**
	Overall Ceiling as per the Act							11%

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

₹ Lakhs

Sl No	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	**Company Secretary**	**CFO***	**Total Amount**
1.	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	54.58	-	54.58
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	8.83	-	8.83
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	TOTAL	**-**	**63.41**	**-**	**63.41**

*MD remuneration given in VI A above. As at March 31, 2019, WTD was the CFO also- remuneration given in VI A above

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offenses under the Companies Act, 2013 for the year ended March 31, 2019.

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director
(DIN:00112375)

Amritanshu Khaitan
Managing Director
(DIN:00213413)

Kolkata
May 27, 2019

Management Discussion and Analysis

INDIAN ECONOMIC OVERVIEW

The economy grew at a 5 year low of 6.8% in the wake of muted demand, mainly arising out of lower agricultural incomes and increased unemployment. Furthermore, high interest rate resulted in lower investments leading to the lower growth. India's GDP growth for the fourth quarter of the year sharply dropped to 5.8%, with exports growth faltering. However, India has the advantage of a large domestic consuming population. The Reserve Bank of India (RBI) has stepped in to gradually reduce interest rates to increase credit flows to spur investments. With inflation by and large under control, factors are conducive to induce growth. Once the policies are in place under the new political dispensation, the economy is expected to achieve high growth rate between 7.5% and 8%, thereby spurring demand.

Although overall sentiments are yet to gather momentum, it appears that conditions do exist for Indian economy to achieve high growth rates. India continues to stand on the anvil of becoming a 'middle income' economy. Its people will continue to experience higher income levels - and a large percentage of its absolute poor will get lifted out of the abyss of poverty. This transition will certainly ignite consumerism. The consumer goods sector in which the Company operates in will be able to derive full advantage from this trend.

CONSUMER GOODS INDUSTRY IN INDIA

India has been traditionally a consumption-driven economy. Broadly categorized into urban and rural markets, the Indian consumer segment is attracting increasing attention from marketeers across the globe.

The growing purchasing power and the rising influence of the social media have made the Indian consumer to adopt a more aspirational lifestyle. India could become the world's largest middle class consumer market with total consumer spends of nearly US$13 trillion by the year 2030 (Source - Report titled 'India Matters: Winning in growth markets' by Deloitte). This sector has grown at an annual average of 11% over the last decade and is anticipated to expand at a CAGR of around 15%. As per latest research by India Brand Equity Foundation, E-commerce market is expected to grow to US$ 200 billion by 2026. Research from A.C.Nielsen has projected that rural India's FMCG market will surpass US$100 billion by the year 2025.

The stabilization of the Goods and Services Tax (GST) is expected to bring down cascading effect of taxes, thereby reducing prices of various essential commodities. The economy will finally turn around -may be sooner than what is indicated by the current data. All these factors, coupled with the fundamental strength of the economy will accelerate consumption to its potential in both rural and urban markets. Hence the outlook for this sector appears quite robust over the coming years.

THE BUSINESS

Eveready Industries India Limited (EIIL) is one of India's leading consumer goods companies, with its products and brands being household names over the past century. Over the decades, it has been the leader in the dry cell batteries and flashlights markets in the second most populous country in the world.

The Company's contemporary product portfolio in the domestic market comprises the following:

- Dry cell and rechargeable batteries under the brand names 'Eveready', 'PowerCell' and 'Uniross'.
- Flashlights and lanterns under the brand names 'Eveready' and 'PowerCell'.
- LED bulbs and luminaires under the brand names 'Eveready' and 'PowerCell'
- Packet tea under the brand names 'Tez', 'Jaago', 'Premium Gold' and 'Classic'.
- Small Home Appliances under the 'Eveready' brand
- Confectioneries under the brand name 'Jollies'

The Company is the largest player in India with regard to dry batteries and flashlights having a market share exceeding 50% in both categories. Its competencies in these product categories are equal to the best in the world. The company continues to leverage its wide distribution network with a range of product offerings in branded tea, lighting and electrical segments.

The Company believes that the Eveready brand is a natural fit to the lighting and electrical category. EIIL, thus, plans to persist in its efforts to be a significant player in these product segments. Towards this objective, additional efforts are being put to align distribution to the needs of this trade. The platform of the Company today is to provide portable power and lighting - and the products as mentioned above are aligned to that platform.

The Company has also forayed into the Small Home Appliance segment to leverage its brand equity for which a dedicated network for distribution has been set up. It also distributes the products through the modern retail channel. While work is in progress to augment the distribution, some of the key electrical products are also being distributed through the electrical distribution network. This category having a low level of penetration, highly fragmented segmentation coupled with a large size offers a good potential for the Company to augment its turnover substantially in the coming periods. Though at a nascent stage, initial market response and results have been encouraging.

The Company has been in the packet tea business historically. Although its share of the packet tea market is limited, the product has traditionally played an important role to sustain distribution in certain areas.

The Company has recently entered into the sugar confectionery segment through the introduction of fruit chew under the brand name "Jollies". The segment is at a very nascent stage.

This makes for a robust product portfolio. EIIL expects to strengthen its presence across these products through increasing value and volumes in the future.

BATTERIES

Industry size and structure

As per Company estimate, the Indian market for dry cell batteries is now estimated to be worth around ₹ 1,600 Crores by value and 2.7 billion pieces by volume. The battery market has few players, out of which EIIL has a market share of 50% between its Eveready and Powercell brands.

The battery category continued to be disturbed by poor quality products imported from China at dumped prices. As a result, the category volume and value both remained flat during the year.

The market segment pattern underwent changes during the recent past as consumers shifted from the more expensive 'D' size batteries to 'AA' sized ones. The shares of the principal battery categories for the last three years are as per the table below:

Percentage of Market (%)*

₹ Crores

Battery category	2018-19	2017-18	2016-17
D	9.3	11.0	11.7
C	0.2	0.2	0.2
AA	71.1	71.2	71.7
AAA	19.4	17.6	16.4
TOTAL	**100.0**	**100.0**	**100.0**

**Data only related to EIIL*

The above is quite similar to the pattern seen globally.

The split of technology within the dry batteries market remained constant with the zinc carbon battery segment virtually dominating the entire market with 98% share. The alkaline battery segment has minimal share of the market at less than 1%. The rechargeable battery segment, which accounts for the balance 1% market share, has remained stagnant, despite having a loyal customer base.

The consumption of batteries is driven by growth in the off-take of its applications. A growing need for portable power and the advent of a number of battery-operated gadgets like remotes, toys, clocks, and torches have catalyzed consumption. Since these gadgets are used on an everyday basis, batteries have enjoyed a non-cyclical demand.

Performance review

During 2018-19, the category turnover was at ₹ 747.2 Crores, 1% higher over the previous year. Volumes remained flat due to heightened import activity in the run up to BIS standard implementation. While AA volumes remained flat, AAA registered growth. EIIL's market share was at 50% and the product mix also remained quite similar to that of the market. The category however, registered a very healthy EBIDTA of ₹ 131.8 Crores during the year, mainly due to favourable commodity prices, fiscal benefits from the manufacturing unit at Assam and overall cost conservation – mitigating the adverse impact of a depreciating rupee. VRS for the Chennai manufacturing unit was successfully completed during the year – thereby leading to a recurring annualized savings of around ₹ 15.0 Crores.

Marketing and distribution

The Company continued to emphasize on strengthening its distribution network. Out of the total FMCG universe of about 8.5 million outlets, penetration of batteries stocking universe stood at around 53%. Eveready batteries were stocked in 70% of such outlets, higher than any other battery brand by a wide margin.

The Company's brand activities continued to add positive qualities to its brand value. EIIL will persist with these efforts to further strengthen its brand salience.

Opportunities and threats

India has a low per capita consumption across a number of product groups, batteries included, indicating an inherent potential for growth. Since dry cell batteries represent the cheapest source of portable power, consumption is expected to increase over time. Besides, growing income levels, changing lifestyles and an increased need for convenience have resulted in proliferation of gadgets run by batteries. These include remote controls, torches, toys, cameras, FM radio sets and portable music systems, among others.

Batteries do not face any immediate threat of usage because these are items of recurring use, providing portable energy at an affordable cost. EIIL has an inherent advantage over competition due to its enduring brand equity, tangible quality and ease of availability due to its widespread distribution network.

Cheap imports continue to be a threat as with the withdrawal of antidumping duty, there has been a steady flow of these imports. However, a new set of standards issued by the Bureau of Indian Standards (BIS) for dry cell batteries has been introduced which would curb imports of such cheap and poor quality products. Moreover, as the Goods and Services Tax (GST) regime stabilizes in the near future, it will bring in higher degree of tax compliance in the country, thereby providing a significant advantage to organized players.

Alkaline batteries, although popular in the West, do not as yet comprise a serious alternative to carbon zinc batteries. This is due to the price-sensitive nature of the Indian consumer. That has led to a mere 2% market share for such batteries, despite them being present for over 15 years. In any case, EIIL does have a presence in this segment and will be able to participate if the market provides any indication of an opportunity.

Given the overall positive scenario, a tangible threat to battery consumption lies in lower usage of battery consuming equipment.

Risks and concerns

The upward volatility of the rupee and commodity prices would put pressure on operating margins which would need to be passed on to the market. These represent areas of concern.

FLASHLIGHTS

The flashlight market is shaped by EIIL because of its dominant market share position at about 70% of the organized segment. At the same time, there is also a vast unorganized segment that is estimated to be almost equivalent to the size of the organized one. Taking that into account, EIIL has a market share of around 35%.

Performance review

During 2018-19, the category turnover was at ₹ 181.3 Crores, representing a marginal de-growth over the previous year. This was due to a flat volume as the category continued to receive steep competition by a large unorganized market. The category however continued to be profitable with an EBIDTA of ₹ 18.6 Crores.

Opportunities and threats

A vast dormant population of non-users represents a large opportunity for the flashlights market. This will continue to be tapped by EIIL in the years to come.

The urban areas, where flashlights are seldom owned, comprise another specific area of opportunity. Vast sections of urban areas now face periodic power cuts and flashlights provide a viable alternative solution during those times.

The category however, faces a continued threat in the form of gray market operations launching lookalike models, usually without payment of taxes and duties. While introduction of GST may make these gray products somewhat less attractive, these may still continue to disturb the market taking advantage of the glitches in law. The only way to overcome this problem is to continue launching new and innovative models.

Risks and concerns

As already mentioned, there is a vast potential of tapping in to convert users to non-users. The risk is that such first time users can take to the gray market lookalike products owing to the cheaper prices. That will result in organized players losing out on this growth opportunity. This problem needs to be tackled through appropriate product offerings and innovative marketing initiatives.

LIGHTING AND ELECTRICAL PRODUCTS

As mentioned earlier, the brand Eveready is a natural fit to the lighting and electrical category. The Company's distribution network in general trade and modern retail has also provided a good platform to enter this category. Further expansion has been made to tap the exclusive electrical trade. The market has now entirely shifted from CFL to LED bulbs. LED bulbs and LED based Luminaires with higher margins now constitute more than 80% of the category turnover. In order to make a meaningful range offering to the market, more products are being added to the portfolio. These include professional luminaires like streetlights, floodlights, downlights, spotlights and panels apart from the existing portfolio of LED bulbs, luminaires and electrical appliances.

Performance review.

During 2018-19, the category turnover was at ₹ 319.7 Crores, lower than the previous year – partially due to certain constraints on supplies as well as unit price decrease in LED bulbs. As a result, LED lights turnover de-grew by 3% over the previous year. However, market prices of LED based lights remained stable as the industry seems to have reached an inflexion point on the product costs. The category is expected to grow strongly in the coming years with expansion of distribution and product range.

Opportunities and threats

In an emerging economy like India, the volume of lighting products will continue to have high growth, due to increased housing and commercial development. Newer lighting technologies mainly LED bulbs and LED based luminaires have become more popular as these are more environmentally-friendly and also provide higher value to consumers over time. The Government of India's countrywide campaign of providing LED bulbs and LED based luminaires at affordable prices has added fillip to the category. EIIL will have to be a part of all such technology changes. This provides a good opportunity for the Company to entrench itself in the category given its brand fit and distribution network. EIIL will however continue to be present in all other ranges in the category to cater to all kinds of consumer needs.

The category however faces the threat of fragmented competition, dynamic market prices and low entry barriers. The Company will have to continue its focus on maintaining its brand salience alongwith enhanced distribution to reach the desired scale.

Risks and concerns

The only foreseeable risk in this category seems to be the ability to cope up with the dynamics of an evolving market and get the first mover advantage. This needs to be tackled through a range of quality product offerings at competitive prices.

SMALL HOME APPLIANCES

The Company has recently forayed into this segment by leveraging on its brand equity and is in process of creating a pan-India distribution network through appliance selling outlets. It also plans to leverage its presence in all modern format stores and E-commerce platforms. This category having a low level of penetration, highly fragmented segmentation coupled with a large size offers a good potential for the Company to augment its turnover substantially in the coming periods.

Performance review.

During 2018-19, the category turnover was at ₹ 138.8 Crores as against ₹ 109.2 Crores in the previous year. The improvement trend is in line with the Company's upscaling plans, despite a lower offtake in the last quarter of the year attributable to an extended winter. The category registered EBIDTA loss during the year as it is in a building up phase and the revenues are yet not enough to cover costs. However, the impact of this will be mitigated as the segment scales up in the near future.

Opportunities and threats

In an emerging economy like India, increasing disposable income and pressures on time management forces families to adopt faster modes of cooking. Prevalence of nuclear families increases the demand for kitchen appliances as they want to explore various cooking styles and mediums. These appliances are seen as an investment in efficiency and convenience. This trend is expected to continue in the future which will increase demand and should benefit branded players like EIIL. The fan segment of appliances is expected to grow manifold as the drive for rural electrification continues in the country. The Government of India's country wide campaign of providing fans at affordable prices will add fillip to the category. EIIL will have to be a part of all such initiatives. This provides a good opportunity for the company to grow in the category given its brand fit and distribution network.

The category however faces the threat of fragmented competition, dynamic market prices and low entry barriers. The company will have to continue its focus on building effective distribution to reach the desired scale.

Risks and concerns

The risk associated with the category is that of product obsolescence which may make inventory management difficult. However, this can be overcome through consolidation of the portfolio as the category reaches scale.

PACKET TEA

EIIL has been leveraging its distribution network to market packet tea and derive additional revenues at virtually no extra costs. The Company has not really invested any money in advertising for the brands Tez, Jaago, and Premium Gold that are targeted at different consumer segments. Though these brands have gradually been increasingly accepted due to their superior quality, which has been a hallmark of EIIL's packet tea branding strategy, the Company's share of the packet tea market remains limited.

Performance review

During 2018-19, the category turnover was at ₹ 68.3 Crores, representing a de-growth of 4.8% over the previous year. Efforts were concentrated to scale up turnover in a few focused markets through extensive branding strategies and enhanced distribution drive.

Opportunities and threats

With loose tea prices remaining firm over the last few years, the threats from unorganized players remain limited because of their limited pricing power.

Risks and concerns

The risk associated with the category is one of low growth which limits the ability of this business to become very profitable. Also, should loose tea prices fall, it will further impact the profitability adversely. Work is afoot to mitigate this position.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS:-

Ratio	2018-19	2017-18	Change (%)	Reasons
Current Ratio (number of times)	1.24	1.07	15.89	NA
Debt Equity Ratio (number of times)	1.02	0.71	43.66	Debt Equity ratio is higher due to higher borrowing
Debtors Turnover Ratio (number of times)	12.77	14.39	(11.26)	NA
Interest coverage Ratio (number of times)	2.09	3.69	(43.36)	Interest Coverage ratio is lower on account of higher interest cost due to higher borrowing
Inventory Turnover Ratio (number of times)	3.35	3.09	8.41	NA
Net profit nargin (%)	3.24	3.76	(13.83)	NA
Operating profit margin (%)	8.42	7.23	16.46	NA
Return on Net Worth (%)	12.55	15.90	(21.07)	NA

INFORMATION TECHNOLOGY

EIIL has traditionally invested in information technology (IT) to provide effective business solutions amenable to informed decision making.

The overall IT environment continues to be steady. The processes are sound and are well internalized within the organization.

INTERNAL CONTROL AND SYSTEMS

The Company has adequate internal control procedures commensurate with its size and nature of business. Their objective is to ensure efficient usage and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and procedures.

The existing system provides for structured work instructions and clearly laid-down procedures for authorization and approval for the purchase and sale of goods and services. It also provides for reserved responsibility of custodial control with identified personnel, and use of computerized systems to ensure controls at source.

The Company has a full-fledged in-house Internal Audit Department manned by trained professionals. The pre-audit and post-audit checks and reviews are carried out to ensure follow up on the observations made by the Audit teams. The Audit Committee of the Board, in its periodic meetings, reviews the Internal Audit reports, the progress in implementation of their recommendations and the adequacy of internal control systems.

The Company has a well-documented Risk Management System, which is reviewed by an active Steering Committee appointed by the Board of Directors. The risk registrar does identify a few risks, which are routine in nature and none of which present any significant impact. There is a mitigation system in place which addresses these risks as part of the routine management process.

HUMAN RESOURCES

People power is one of the pillars of success at EIIL. The Company employs nearly 2500 individuals across its various plants and branch locations, who share a passion for excellence. The key attributes of human capital at EIIL are a rich knowledge base, expertise and experience.

The employee-management relations remained cordial throughout 2018-19. The human resource management system at EIIL puts emphasis on rewarding merit-based performance and raising the skill level of employees.

OUTLOOK

Battery volume remained flat during the year. The market saw heightened activity in respect of dumped imports from China – in apprehension of mandatory quality standards issued by Bureau of Indian Standards (BIS). The flashlight category was impacted by the continued proliferation of gray market products. The Lighting and Electrical segments was partially impacted by supply constraints and market turbulence created by unit price decrease of LED bulbs. The turnover of Small Home Appliances segment though higher than previous year was impacted by extended winter, which resulted in lower offtake and lack of Government orders in the fan segment. While all of this led to an flat turnover, overall profitability of the Company was superior due to higher profitability in the battery and flashlight categories – driven mainly by favourable commodity prices, accrual of fiscal benefits from the Assam manufacturing unit and overall cost conservation, mitigating the adverse impact of a depreciating rupee.

However, in the medium to long term, the introduction of BIS standards for all dry cell batteries marketed in India in May 2019 would help the domestic manufacturers from unhealthy competition from the Chinese exporters as their costs would escalate in complying with the quality norms. This, alongwith expectation of a near-normal monsoon in the forthcoming season, should add fillip to the demand. The Company is also confident that it will be able to capture growth in this market, riding on its obvious strengths of premium quality offering, brand and distribution. Stabilization of GST regime is expected to have a positive impact on the economy, thereby augmenting demand, which will be beneficial to EIIL. It is anticipated that the GST regime will bring in higher degree of tax compliance in the country. The battery and flashlight categories, bear the impact of non-compliance with tax laws by unorganized part of the market – either through undervalued dumped imports from China for batteries or gray market local operators in the flashlights market. It is expected that stabilization of the GST regime will bring such elements into its net thereby eliminating the unfair gap in the pricing structure with tax compliant organizations. As a consequence both batteries and flashlights should show reasonable growth in 2019-20. The outlook on battery and flashlight categories thus remains positive.

Prospects are promising in the Lighting & Electrical products category. This business has become a key focus area and an avenue for growth. As mentioned earlier, the market has now almost entirely shifted from CFL to LED bulbs and luminaires. LED bulbs and LED based luminaires with higher margins now constitute more than 80% of the category turnover and these will be the growth drivers for the category and the overall business of the Company. This range of new generation lights have been very well accepted by the market and will enhance the Company's efforts towards a fruitful diversification. The outlook is thus upbeat - with potential for both growth and profitability.

Growth will also come from the product segment of appliances with growing disposable incomes and Government's initiative of rural electrification. Though at a nascent stage, initial market response and results have been encouraging.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report, have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

For and on behalf of the Board of Directors

	Suvamoy Saha	**Amritanshu Khaitan**
Kolkata	Wholetime Director	Managing Director
May 27, 2019	(DIN:00112375)	(DIN:00213413)

Report on Corporate Governance

Your Company's Annual Report on Corporate Governance for the year ended March 31, 2019, is given as below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good corporate governance consists of a combination of business practices which result in enhancement of the value of the Company to the shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, vendors, employees and financiers and to the society in general. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavors to uphold and nurture these core values in all aspects of its operations.

BOARD OF DIRECTORS

Composition and Category of the Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with one woman Director. As at March 31, 2019, the Chairman of the Board of Directors was a Non- Executive Director and the Company had 8 Directors out of which 4 were Non-Independent Directors and 4, comprising of not less than one half of the Board strength, were Independent Directors. The necessary disclosures regarding other directorships and committee memberships have been made by all the Directors.

The details of the composition of the Board of Directors together with the number of other Directorships/Committee Memberships held by the Directors as on March 31, 2019 is as follows:

Sl. No.	Directors	Category	No. of Directorships held (excluding) *	Directorship in other Listed Companies and Category of Directorship		Committee Memberships# (excluding)*	
				Names of the Companies	Category of Directorship	As Chairman/ Chairperson	As Member
1.	Mr. B.M. Khaitan+ (DIN: 00023771)	Non-Executive Chairman	2	Williamson Magor & Co. Ltd.	Non-Executive Chairman	-	-
2.	Mr. A. Khaitan (DIN: 00023788)	Non-Executive Vice Chairman	8	McLeod Russel India Ltd.	Managing Director & Chairman	1	2
				Williamson Magor & Co. Ltd.	Non-Executive Director		
				Williamson Financial Services Ltd.	Non-Executive Director		
				Kilburn Engineering Ltd.	Non-Executive Chairman		
				McNally Bharat Engineering Co. Ltd	Non-Executive Director		
				McNally Sayaji Engineering Ltd.	Non-Executive Director		
3.	Mr. Amritanshu Khaitan (DIN: 00213413)	Managing Director	8	McLeod Russel India Ltd.	Non-Executive Director	-	-
				Williamson Magor & Co. Ltd.	Non-Executive Director		
				Williamson Financial Services Ltd.	Non-Executive Director		
				Kilburn Engineering Ltd.	Non-Executive Director		
4.	Mr. S. Saha (DIN: 00112375)	Whole time Director	4	-	-	-	-
5.	Mr. S.R. Dasgupta (DIN: 01401511)	Independent Director	1	Kilburn Engineering Ltd.	Independent Director	-	1
6.	Mrs. R. Nirula++ (DIN: 00015330)	Independent Director	7	HEG Ltd	Independent Director	1	3
				P I Industries Ltd.	Independent Director		
				McLeod Russel India Ltd.	Independent Director		
				DCM Sriram Ltd.	Independent Director		
				C G Power & Industrial Solutions Ltd.	Independent Director		
7.	Mr. A. Kaul++ (DIN: 00062135)	Independent Director	-	-	-	-	-
8.	Mr. Aniruddha Roy (DIN: 00112576)	Independent Director	-	-	-	-	-

*Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Only two committees viz. the Audit Committee and the Stakeholders Relationship Committee are considered for this purpose.

None of the Directors held directorship in more than 10 Public Limited Companies and/or were members of more than 10 committees or acted as Chairperson of more than 5 committees across all Public Limited Companies in which they were Directors in terms of the disclosures made by the Directors regarding their committee positions.

None of the Independent Directors served as Independent Director in more than 7 listed Companies.

The Executive Directors were not Independent Directors of any other listed Company.

Changes in composition of the Board of Directors since last Report

Mr. Aniruddha Roy was appointed as an Independent Director (Additional Director), effective September 17, 2018, subject to the approval of the Members at the forthcoming Annual General Meeting of the Company.

Ms. Arundhuti Dhar was appointed as an Independent Director (Additional Director), effective May 21, 2019, subject to the approval of the Members at the forthcoming Annual General Meeting of the Company.

Mr. Mahesh Shah was appointed as an Independent Director (Additional director), effective May 27, 2019, subject to the approval of the Members at the forthcoming Annual General Meeting of the Company

+ Mr. B. M. Khaitan, Non-Executive Director and Chairman of the Company resigned from the Board of Directors of the Company, due to his old age. As a mark of respect towards Mr. Khaitan's leadership and significant contributions to the Company, Mr. B. M. Khaitan was designated as 'Chairman Emeritus' of the Company.

++ Mr. Sanjeev Goenka, Mr. Sudipto Sarkar, Mrs. Ramni Nirula and Mr. Ajay Kaul resigned as Directors effective September 15, 2018, March 29, 2019, May 20, 2019 and May 24, 2019 due to personal reasons, heavy commitments, preoccupation personal commitments and time commitment with other activities, respectively. The Directors concerned, have confirmed that other than their respective reasons as stated above, there are no other material reasons for their respective resignations.

Number of Meetings held and Attendance of Directors during Financial Year 2018-19

The Board of Directors have met 5 times in the financial year 2018-19. The gap between two meetings is within 120 days. The attendance of the Directors at the Board Meetings and the Annual General Meeting of the Company is given as below:

Meetings and Attendance of Directors during Financial Year 2018-19

	Dates of Board Meetings					Date of AGM
	29.05.18	26.07.18	06.08.18	05.11.18	14.02.19	06.08.18
Mr. B. M. Khaitan+	P	P	A	A	A	A
Mr. A. Khaitan	P	A	P	P	P	P
Mr. Amritanshu Khaitan	P	P	P	P	P	P
Mr. S. Saha	P	P	P	P	P	P
Mr. S. Goenka++	A	A	A	NA	NA	A
Mr. S. R. Dasgupta	P	P	P	P	P	P
Mr. S. Sarkar ++	A	P	A	P	A	A
Mrs. R. Nirula++	P	P	A	P	P	A
Mr. A. Kaul++	P	P	P	A	P	P
Mr. A. Roy	NA	NA	NA	P	P	NA

P - Attended A - Leave of absence granted NA - Not applicable

Disclosure of Relationship between Directors inter se

As at March 31, 2019, no Director was related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013 except Mr. B.M. Khaitan and Mr. A. Khaitan, as father and son.

Number of shares held by Non- Executive Directors

The number of shares held by the Non-Executive Directors as on March 31,2019:

Name of Director	Number of Shares Held as on 31.03.19
Mr. B.M. Khaitan+	35,897
Mr. A. Khaitan	2,32,266
Mr. S.R.Dasgupta	27,600
Mrs. R. Nirula++	Nil
Mr. A. Kaul++	Nil
Mr. A. Roy	Nil
TOTAL :	**2,98,236**

Core Skills of the Board

The following is a list of core skills/expertise/competencies identified by the Board of Directors of the Company as required in the context of the Company's business(es) and sector(s) for the Company to function effectively and those available with the Board :

- Knowledge of the Company's business and the Industry in which the Company operates
- Strategy Accumen
- Financial Skills
- Communication Skills
- Leadership & Management Skills

Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management personnel of the Company and the same is available on the Company's website. A declaration from the Managing Director, that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2019 forms part of the Annual Report. The duties of the Independent Directors as laid down in the Companies Act, 2013 has been suitably incorporated in the Code of Conduct, as necessary.

Information to Board

Necessary information as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) including, inter alia, quarterly statutory compliance reports, updates, annual budgets, as and when applicable, are placed before the Board for its review and consideration.

Risk Management

The Company has laid down adequate procedures to inform the Board about the risk assessment and risk minimization procedures. The Company through its Board of Directors has constituted a Risk Management Steering Committee for the purpose of monitoring and reviewing of the risk management plans periodically.

CEO/CFO Certificate

The aforesaid certificate duly signed by the Managing Director and the CFOs in respect of the financial year ended March 31, 2019 has been placed before the Board.

Independent Directors

The tenure of Independent Directors is in accordance with the Companies Act, 2013 and the Listing Regulations.

None of the Independent Directors has any material pecuniary relationships or transactions with the Company, its Promoters, Directors, Associates, which in their judgment would affect their independence.

Based on the declarations received from the Independent Directors, the Board of Directors confirms that in its opinion, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

The Independent Directors are apprised at the Board Meetings and Committee Meetings on the Company operations, market shares, governance, internal control process and other relevant matters inclusive of presentations and programmes with regard to strategy, operations and functions of the Company including important developments in various business divisions and new initiatives undertaken by the Company. The familiarization programme for Independent Directors is available on the Company's website (http://www.evereadyindia.com/investor-relations/pdf/details-independent-directors.pdf).

The Independent Directors of the Company held separate informal meeting on 29.05.2018 without the attendance of non-independent directors and managerial personnel for the purposes, inter alia, as required by Regulation 25 (4) of the Listing Regulations.

AUDIT COMMITTEE

The Board has constituted a qualified and independent Audit Committee. All the members of the Committee are financially literate and at least one member possesses accounting and financial management expertise.

The Audit Committee is empowered to inter alia, investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference

The terms of reference of the Audit Committee is in line with the regulatory requirements and, inter alia are as follows:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with the management the annual financial statements and auditor's report before submission to the Board, focusing primarily on :-
  - Matters required to be included in the Directors' Responsibility Statement, as required for the Report of the Board of Directors
  - Any changes in accounting policies and practices
  - Major accounting entries based on exercise of judgment by management.
  - Significant adjustments arising out of audit
  - Compliance with listing and legal requirements concerning financial statements
  - Disclosure of any related party transactions
    Modified opinion(s) in the draft audit report
- Reviewing with the management, the quarterly financial statements before submission to the Board
- Reviewing and monitoring the end use of funds raised through public offers and related matters
- Reviewing and monitoring auditors' independence and performance and the effectiveness of the audit process
- Approving or subsequently modifying transactions of the Company with related parties
- Scrutinizing inter- corporate loans and investments
- Valuation of undertakings/assets where necessary
- Evaluating internal financial controls and risk management systems
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors any significant findings and follow up thereon
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with external auditors before the audit commences on nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Overseeing/Reviewing the Vigil (Whistle Blower) Mechanism

- Approval of the appointment of CFO
- Reviewing the management discussion and analysis of financial condition and results of operations
- Reviewing the management letters/letters of internal control weaknesses, if any
- Reviewing with the management the statement of utilization/application of funds raised through issues
- Reviewing the internal audit reports relating to internal control weaknesses
- Recommending appointment, removal and terms of remuneration of Internal Auditor
- Reviewing statement of deviations, if any
- Reviewing the utilization of loans and/ or advances from/investment by the Company in its subsidiary in excess of ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date
- Reviewing the financial statements, in particular, investment, if any, by unlisted subsidiary(s) of the Company
- Reviewing the compliance with the provisions of the SEBI (Prevention of Insider Trading) Regulations, 2015, as amended and to verify that the systems for internal control are adequate and are operating effectively.

Composition

As on March 31, 2019, the Audit Committee comprised of 3 Directors, Mr. S. R. Dasgupta, an Independent Director, as the Chairman, Mrs. R. Nirula and Mr. A. Roy, all Independent Directors as Members.

The Chairman of the Audit Committee was present at the 83rd Annual General Meeting of the Company.

Mrs. T Punwani, Vice President-Legal and Company Secretary acts as the Secretary of the Audit Committee.

Meetings & Attendance

During the year ended March 31, 2019, 4 Meetings of the Audit Committee were held, with the requisite quorum being present, the dates being 29.5.2018, 26.07.2018, 05.11.2018 and 14.02.2019. The intervening gap between the Meetings was within the period prescribed of 120 days.

The attendance of the members of the Audit Committee was as follows:

Members	No. of Meetings attended
Mr. S. R. Dasgupta	4
Mr. S. Sarkar **	2
Mrs. R. Nirula++	4
Mr. A. Roy**	1

** Mr. S. Sarkar, Independent Director, stepped down as Member of the Audit Committee effective February 14, 2019 and Mr. A. Roy, Independent Director was inducted as a Member of the Committee as on the same date.

++ Mrs. R. Nirula, Independent Director, stepped down as Member of the Audit Committee effective May 20, 2019 and Ms. A. Dhar, Independent Director was inducted as a Member of the Committee effective May 21, 2019.

The Statutory Auditors/ Cost Auditor, Internal Auditor and Director in charge of Finance are the Invitees - (being entitled to attend as per relevant provisions of applicable Laws/Rules and/or when felt necessary)

NOMINATION & REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee, are as follows:

- To form criteria for qualifications/independence etc. of Directors
- To identify persons for Directorships & senior management positions and recommend their appointments/removals
- To recommend Policy for remuneration to Directors/key managerial personnel and other employees
- To form criteria for evaluation of Directors
- To devise policy of Board Diversity
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the Independent Directors
- To recommend to the Board, all remuneration, in whatever form, payable to senior management (one level below CEO/MD/WTD, inclusive of CFO and CS

Composition

As on March 31, 2019, the Nomination & Remuneration Committee comprised of 3 Directors, Mr. S. R. Dasgupta, an Independent Director, as the Chairman, Mr. A. Roy, Independent Director and Mr. Aditya Khaitan, Non- Executive Director, as Member.

Meetings and Attendance

During the year ended March 31, 2019, 2 Meetings of the Nomination & Remuneration Committee was held on 29.05.2018 and 17.08.2019.

Members	No. of Meetings attended
Mr. S. Sarkar ***	-
Mr. S. R. Dasgupta	1
Mr. Aditya Khaitan	1
Mr. A. Roy ***	NA

*** Mr. S. Sarkar, Independent Director, ceased to be a Member of the Nomination & Remuneration Committee effective March 29, 2019 and the Committee was reconstituted with the induction of Mr. A. Roy, Independent Director as a Member of the Committee and Mr. S. R. Dasgupta as the Chairman of the Committee, effective the same date.

BOARD EVALUATION

The process for Board evaluation is inclusive of the following:

- The Board evaluates the performance of the Independent Directors excluding the Director being evaluated.
- The Nomination & Remuneration Committee evaluates the performance of each Director.
- The Independent Directors evaluate the performance of the Non-Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole
- Performances of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated

The criteria for performance evaluation, inter alia, includes:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

REMUNERATION OF DIRECTORS

The Non-Executive Directors have no material pecuniary relationships or transactions with the Company in their personal capacity.

The Non- Executive Directors are paid Sitting Fees for the Board Meetings and Committee Meetings as recommended by the Board. The fees or compensation/ commission if any paid to the Non-Executive Directors is within the limits prescribed under the Companies Act, 2013 and does not require any further approvals.

The details of remuneration paid to Non-Executive Directors including Independent Directors for the year ended March 31, 2019, are as under:

Name of Director	Sitting Fees paid for Board Meetings (₹)	Sitting Fees paid for Committee Meetings (₹)	Commission (₹)
Mr. B.M. Khaitan	1,00,000	NA	NA
Mr. A. Khaitan	2,00,000	40,000	1,00,000
Mr. S.R. Dasgupta	2,50,000	1,80,000	1,00,000
Mr. S. Goenka	NA	NA	NA
Mr. S. Sarkar	1,00.000	40,000	NA
Mrs. R. Nirula	2,00,000	80,000	NA
Mr. A. Kaul	2,00,000	NA	NA
Mr. A. Roy	1,00,000	20,000	1,00,000
TOTAL:	**11,50,000**	**3,60,000**	**3,00,000**

The details of Remuneration paid to Executive Directors for the year ended March 31, 2019 are as under (Note below) :-

Name of Director	Salary (₹)	Value of Perquisite & Allowance (₹)	Contribution to Retiral Funds (₹)#	Tenure as per service contract	Notice Period
Mr. S. Saha	1,20,00,000	1,45,54,762	32,40,000	21.03.2022	1 month
Mr. Amritanshu Khaitan	1,68,00,000	1,98,35,734	45,36,000	04.05.2022	3 months

Excluding contribution to Gratuity Fund

The Company does not have any Employee Stock Option Scheme

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee, are as follows:

- To resolve the grievances of the security holders with regard to the complaints relating to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review the measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

Composition

As on March 31, 2019, the Stakeholders Relationship Committee comprises of Mr. S. R. Dasgupta, Independent Director as Chairman, Mr. Amritanshu Khaitan, Managing Director and Mr. S. Saha, Whole time Director, as Member.

Meeting & Attendance

During the year ended March 31, 2019, 2 meetings of the Stakeholders Relationship Committee were held on 29.05.2018 and 05.11.2018

Members	No. of Meetings attended
Mr. S. R. Dasgupta	2
Mr. S. Saha	2
Mr. Amritanshu Khaitan ^	NA

^ Mr. Amritanshu Khaitan was inducted as a Member of the Committee effective February 14, 2019.

Mrs. T Punwani, Vice President - Legal & Company Secretary is the 'Compliance Officer' of the Company for the requirements under the Listing Agreements with Stock Exchanges.

Shareholders' Complaints and Redressal as on March 31, 2019:

Type of Grievances and Category	Dividend Warrant not received	Shares not Dematerialised	Non-Receipt of Share Certificates	Annual Report not received	Total
Complaints Received during the year	5	Nil	8	1	14
Complaints Attended to/ Redressed	5	Nil	8	1	14

Number of pending Share Transfers : Nil

The Board has delegated the power of share transfer to a Committee. The Committee attends to share transfer formalities weekly/fortnightly.

GENERAL BODY MEETINGS

Details of Annual General Meetings (AGMs)

AGMs	Date of AGMs	Location	Time	Special Resolutions passed
AGM (83rd)	06.08.2018	Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700020	11.00 a.m.	Yes
AGM (82nd)	07.08.2017	Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700020	11.00 a.m.	Yes
AGM (81st)	25.07.2016	Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700020	3.00 p.m.	Yes

There were no Special Resolutions which were put through postal ballot, last year.

In the Notice of the forthcoming 84th Annual General Meeting there are no items of business (Special Resolutions) which require to be conducted through postal ballot.

MEANS OF COMMUNICATION

Financial Results

Quarterly, half-yearly and annual results in the forms prescribed under Regulation 33 and Regulation 47 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 are published in prominent dailies such as Economic Times/ Business Standard/ Financial Express/Mint (English) and Aajkaal (Bengali) newspapers and also displayed on the Company's website www.evereadyindia.com.

Other Information

General Information on the Company, official news releases and presentations to analysts and institutional investors are also posted on the Company's website.

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting

As mentioned in the notice convening the Annual General Meeting for the financial year 2018-2019.

Financial Calendar (tentative) for the year 2019-2020

Publication of Unaudited results for the quarter ending June 2019	:	July/August 2019
Publication of Unaudited results for the half-year ending September 2019	:	October/November 2019
Publication of Unaudited results for the quarter ending December 2019	:	January/February 2020
Publication of Audited results for the year ending March 2020	:	April/May 2020
Annual General Meeting for the year ending March 2020	:	July to September 2020

Dates of Book Closure

As mentioned in the notice convening the Annual General Meeting for the financial year 2018-2019.

Listing on Stock Exchanges

The shares of the Company can be traded on all the recognised Stock Exchanges in India. The shares of the Company are listed at the following Stock Exchanges:

The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata 700 001

BSE limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051

Listing Fees

The Annual Listing Fees for 2019-2020 have been paid to all the three Stock Exchanges within the scheduled dates.

Stock Code

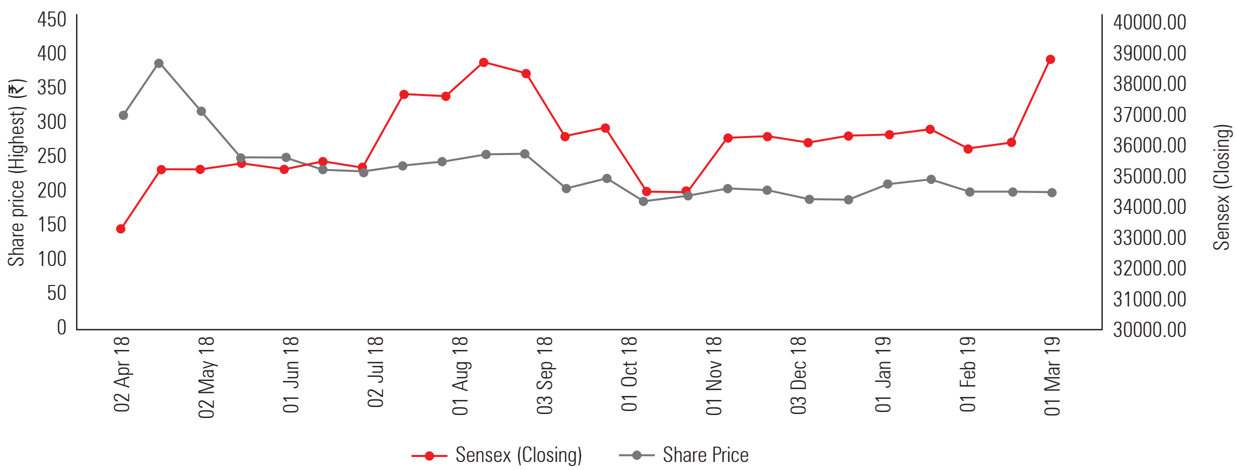
The Calcutta Stock Exchange Association Ltd.	:	000029
BSE Limited.	:	531508
National Stock Exchange of India Ltd.	:	EVEREADY

Stock Market Price Data:

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
2018				
April	394.45	303.00	395.00	305.00
May	320.00	225.00	318.00	240.10
June	256.00	225.00	252.00	223.25
July	247.00	218.00	242.85	216.70
August	270.05	231.50	262.90	230.45
September	255.95	185.10	257.00	185.00
October	222.65	175.50	220.00	175.75
November	213.90	178.60	211.50	175.00
December	207.65	183.25	207.00	182.50
2019				
January	234.20	180.00	233.55	180.05
February	218.60	184.05	220.00	183.30
March	218.80	187.7	219.30	187.70

Performance in comparison with BSE Sensex: (Share Prices as on BSE)

Share Price Performance (April 2018 - March 2019)



Distribution of Shareholding as on March 31, 2019:

According to category of Holding:

Category	No of shares held	Percentage of shareholding
A. Promoter & Promoter Group *	3,20,58,895	44.10
Sub Total	**3,20,58,895**	**44.10**
B. Public		
1. Institutional Investors		
a. FIIs/FPIs/Alternate Funds	1,66,01,738	22.84
b. Mutual Funds/UTI	32,13,200	4.42
c. Banks/ FIs/ Insurance Companies	17,51,355	2.41
d. Central Government	477	0.00
2. Others		
a. Indian Public	1,19,65,205	16.46
b. Private Corporate bodies.	39,42,004	5.43
c. NRIs/ OCBs/Trusts/ Clearing Member/Foreign National	23,94,364	3.30
d. IEPF	7,36,952	1.01
e. Unclaimed Suspense Account	23,070	0.03
Sub Total	**4,06,28,365**	**55.90**
GRAND TOTAL	**7,26,87,260**	**100.00**

**Refer Note on Page 21*

According to number of Ordinary Shares held:

	No. of Shareholders	% of Shareholders	No of Ordinary Shares held	% of Shareholding
1 to 50	24,116	47.60	4,82,263	0.66
51 to 100	10,175	20.08	8,75,062	1.20
101 to 150	3,578	7.07	4,65,324	0.64
151 to 250	4,624	9.13	9,36,946	1.29
251 to 500	4,624	9.13	17,26,261	2.37
501 to 5000	3,175	6.27	42,21,207	5.81
5001 and above	368	0.73	6,39,80,197	88.02

Suspense Account

In terms of the SEBI Listing Regulations, the details of the equity shares in unclaimed suspense account are as follows :

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as at the beginning of the year	262	35,514
Shareholders who approached the Company for transfer of shares and whose shares were transferred from the suspense account during the year	4	2,060
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per section 124 of the Companies Act, 2013	99	10,384
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	159	23,070

The voting rights on the shares outstanding in the suspense account at the end of the year shall remain frozen till the rightful owner of such shares claims the shares.

Registrar and Transfer Agents

Pursuant to Regulation 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has appointed the following SEBI registered Agency as the Common Registrar & Share Transfer Agent of the Company for both the Physical and Dematerialised segment with effect from November 1, 2003 :-

Maheshwari Datamatics Private Limited,
23, R. N. Mukherjee Road, Kolkata – 700 001
Phone No. (033) 2248 2248, 2243 5029
Fax No. (033) 2248 4787

Share Transfer System for Physical Shares

The Directors' Share & Debenture Transfer Committee of the Company generally meets weekly/fortnightly for approving share transfers and for other related activities. The average time taken for processing of Share transfers including despatch of share certificate is about 15 days. The time taken to process dematerialisation requests is about 12 to 15 days.

Dematerialisation of shareholding and liquidity

The Company has entered into Agreement with both the Depositories registered under the Depositories Act, 1996, i.e. National Securities Depository Ltd. (NSDL), Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 and Central Depository Services (India) Ltd. (CDSL), Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai – 400 001 to facilitate holding and trading in shares of the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996.

Scrips of the Company have been mandated by SEBI for settlement only in dematerialised form by all investors effective March 21, 2000. Mention may be made that 98.87% of the total shares of the Company has since been dematerialised.

ISIN No. for the Company's ordinary shares in Demat Form : INE 128A01029.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : Nil

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company manages commodity-pricing risk for zinc by entering into financial instrument contracts, longer dated purchase contracts, or commodity indexed sales contracts in terms of zinc risk management policy of the Company.

The Company is also exposed to foreign currency risk for the raw materials and stock in trade that it imports and finished goods that it exports and engages in foreign currency hedging with banks by way of currency forward contracts in order to decrease its foreign exchange exposure arising from its foreign-currency denominated purchases and sales in terms of the foreign exchange risk management policy of the Company.

Plant Location :

P-4, Transport Depot Road, Kolkata – 700 088
B-1 & B-2, Sector - 80, Phase II, Noida, Gautam Budh Nagar, U.P. – 201 305
Plot No. 6, Sector 12, IIE SIDCUL, Haridwar – 249 403
7/1A, KIADB Industrial Area, Somanahalli, Dist. Mandya, Maddur – 571 428, Karnataka
Mill Road, Aishbag, Lucknow – 226 004
IGC, Matia, Dist. Goalpara, Assam 783 101

Whom and where to contact for Share and related services:

Any assistance regarding share transfers and transmissions, change of address, non-receipt of dividends, duplicate/missing Share Certificates, demat and other matters, and for redressal of all share-related complaints and grievances please write to or contact the Registrar & Share Transfer Agent or the Share Department of the Company at the addresses given below :

Maheshwari Datamatics Private Ltd.	**Share Department-**
23, R. N. Mukherjee Road,	Eveready Industries India Ltd.
Kolkata –700 001	1 Middleton Street, Kolkata – 700 071
Phone No.: (033) 2248 2248,	Phone No.: (033) 2288 3950,
2243 5029	2288 2147
Fax No.: (033) 2248 4787	Fax No. : (033) 2288 4059
E-mail : mdpldc@yahoo.com	E-mail : investorrelation@eveready.co.in

Credit Ratings for Debt Instruments, Fixed Deposit Programmes or any other scheme involving mobilisation of funds : None

Details of Directors proposed to be appointed/re-appointed

The details pertaining to the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting of the Company is given in the Notice of the AGM.

OTHER DISCLOSURES

The Company did not have any significant related party transactions, which may have potential conflict with the interest of the Company. The Board has approved a policy on dealing with related party transactions and the same has been uploaded and available on the Company's website (http://www.evereadyindia.com/investor-relations/pdf/rpt-policy1.pdf).Related party transactions have been disclosed under Note 34.7 to the Accounts for the year under review. A Statement in summary form of transactions with related parties in the ordinary course of business are placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arm's length basis.

The Company has complied with all the requirements of the previous listing agreements with the Stock Exchanges and also with provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as regulations and guidelines of SEBI, as issued from time to time. No penalties have been imposed or stricture has been issued by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years.

A Vigil Mechanism/Whistle Blower Policy has been established for Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguard against victimisation of director(s)/employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is available on the Company's website (http://www.evereadyindia.com/investor-relations/pdf/whistle-blower-policy1.pdf).

There are no material listed/unlisted subsidiary companies as defined in Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is displayed on the Company's website (http://www.evereadyindia.com/investor-relations/pdf/policy-for-determining-material-subsidiaries1.pdf)

The Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, with a view to regulate trading in securities by the Designated Persons and their Immediate Relatives.

The Board has formulated a Succession Planning Policy, as recommended by Nomination & Remuneration Committee, for orderly succession for appointments to the Board and to senior management, in terms of Regulation 17(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

There were no material financial and commercial transactions where senior management of the Company had personal interest that may have a potential conflict with the interest of the Company at large.

No funds have been raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

A certificate from Messrs. A. K. Labh & Co., Practising Company Secretaries, that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as a Director by SEBI/Ministry of Corporate Affairs or any such statutory authority, is presented in a separate section forming part of the Corporate Governance Report.

During the financial year ended March 31, 2019, The Board has accepted all recommendations of its Committees.

The Company has duly complied with the requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The total fees paid by the Company to Messrs. Price Waterhouse and CO LLP Chartered Accountants, Auditors of the Company and all other entities forming part of the same network, aggregate ₹ 73.21 Lakhs.

There was no complaints filed during the year under the Sexual Harassment of Women at Workplace (Prevention and Redressal) Act, 2013. Accordingly :

i)	number of complaints filed during the financial year	Nil
ii)	number of complaints disposed off during the financial year	Nil
iii)	number of complaints pending as at the end of the financial year	Nil

The Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is attached and forms part of the Annual Report.

The Company has compiled with the mandatory requirement as prescribed in Part C of Schedule V of the Listing regulation.

Compliance of Non-mandatory Requirements as on March 31, 2019

The Board : During the year under review, no expenses were incurred in connection with the office of the Chairman.

Shareholder Rights : Half-yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company.

Modified Opinion(s) in Audit Report: Refer to Directors' Report

Separate Posts of Chairman & CEO: The Chairman and Managing Director are two separate individuals.

Reporting of Internal Auditor : The Company has an in- house Internal Auditor who submits reports to the Audit Committee, regularly.

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director
(DIN:00112375)

Amritanshu Khaitan
Managing Director
(DIN:00213413)

Kolkata
May 27, 2019

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Eveready Industries India Limited

We have examined the compliance of conditions of Corporate Governance by Eveready Industries India Limited for the year ended March 31, 2019 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 SEBI Listing Regulations, 2015.

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

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants
UDIN: 19057134AAAAAB7071

Rajib Chatterjee
Partner
Membership No: 057134

Place: Kolkata
Date: May 27, 2019

The Board of Directors
Eveready Industries India Ltd

Dear Sirs,

CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to state that all the Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for Directors and Senior Management Personnel, respectively in respect of the financial year ended March 31, 2019.

For and on behalf of the Board of Directors

Amritanshu Khaitan
Managing Director
(DIN:00213413)

Kolkata
May 27, 2019

Independent Auditor's Report

To
The Members of
Eveready Industries India Limited

Report on the audit of the standalone financial statements

Disclaimer of Opinion

1. We were engaged to audit the accompanying standalone financial statements of **Eveready Industries India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. We do not express an opinion on the accompanying standalone financial statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

Basis for Disclaimer of Opinion

3. We draw your attention to Note 34.3 to the standalone financial statements that describes the (i) inter-corporate deposits and (ii) corporate guarantees and post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group out of which an amount of ₹ 23,079 Lakhs (including interest) and ₹ 28,309 Lakhs respectively are outstanding as at March 31, 2019. Further, the Company has given advance amounting to ₹ 6,200 Lakhs to a company, on the basis of a memorandum of understanding (MOU) towards transfer by way of assignment, the leasehold rights of a property. The deed of assignment was initially agreed to be executed prior to the year-end, failing which the Company had a right to cancel the MOU and claim refund of the advance. However, neither has the deed been executed nor the refund claimed by the Company.

   We are unable to obtain sufficient appropriate audit evidence regarding the extent of the loss allowance /impairment to be recognised on these inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques, if any, and the consequential impact on the standalone financial statements as at and for the year ended March 31, 2019 and accordingly, forms a basis for the Disclaimer of Opinion.

Emphasis of Matter

4. We draw attention to Note 34.1 to the standalone financial statements which relates to the penalty of ₹ 17,155 Lakhs levied by the Competition Commission of India for non-compliance with provisions of the Competition Act 2002, against which an appeal has been filed by the Company with the National Company Law Appellate Tribunal, New Delhi. As per legal advice obtained by the Company, the amount of penalty cannot be reliably estimated at this stage owing to the uncertainty of the future outcome of the litigation.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

7. Our responsibility is to conduct an audit of the entity's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

8. We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

Report on other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

10. As required by Section 143(3) of the Act, we report that:

    (a) We have sought all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit. However, as described in the Basis for Disclaimer of Opinion paragraph, we are unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the audit.

    (b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether they have any adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph, read with paragraph 10(b) above.

(h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34.1 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2019;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Kolkata
Date: May 27, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(h) of the Independent Auditors' Report of even date to the members of Eveready Industries India Limited on the standalone financial statements for the year ended March 31, 2019

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We were engaged to audit the internal financial controls with reference to standalone financial statements of **Eveready Industries India Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to standalone financial statements of the Company.

Meaning of Internal Financial Controls with Reference to Financial Statements

5. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Basis for Disclaimer of Opinion

6. We are unable to obtain sufficient appropriate audit evidence on which

to base our opinion on the effectiveness of Company's internal financial controls with reference to standalone financial statements over the assessment of the extent of the loss allowance/impairment to be recognised on inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group. Consequent to the material weakness in such internal controls, the possible effects on the financial statements of undetected misstatements could be both material and pervasive.

Disclaimer of Opinion

7. As described in the Basis for Disclaimer paragraph above, because of the significance of the matters, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls with reference to standalone financial statements and whether such internal financial controls were operating effectively as at March 31, 2019 based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

8. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2019, and the disclaimer has affected our opinion on the financial statements of the standalone Company and we have issued a disclaimer of opinion on the financial statements for the year ended on that date. (Refer paragraph 2 of the main audit report).

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Kolkata
Date: May 27, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Eveready Industries India Limited on the standalone financial statements as of and for the year ended March 31, 2019

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

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 and Note 4 on fixed assets to the financial statements, are held in the name of the Company, except freehold land and structures thereon located at Maddur which is in the name of the erstwhile Company merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court(s) of judicature.

ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax and professional tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 34.5 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax and goods and service tax, which have not been deposited on account of any dispute. The particulars of dues of sales tax, service tax, duty of customs, duty of excise and value added tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales Tax	0.35	1998-99	Additional Commissioner of Commercial Tax
The Orissa Sales Tax Act, 1947	Sales Tax	0.10	1999-00	Assistant Commissioner of Commercial Tax
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	13.79	2011-12	Additional Commissioner of Commercial Tax
The West Bengal Value Added Tax Act, 2003	Value Added Tax	1.27	2013-14	Joint Commissioner of Commercial Taxes
Central Sales Tax Act, 1956	Sales Tax	6.09	2001-02	Assistant Commissioner of Commercial Tax
The Kerala General Sales Tax Act, 1963	Sales Tax	4.52	2000-01 to 2002-03	Assistant Commissioner of Commercial Tax
Bihar Finance Act, 1981	Sales Tax	0.80	2005-06	Assistant Commissioner of Commercial Tax
Central Excise Act, 1944	Excise Duty	1,496.53	1997-98 to 2003-04	High Court of Lucknow
Central Excise Act, 1944	Excise Duty	619.07	1993-95, 1996-97, 2009-10 to 2014-15, 2006-17, 2015-16, 1997-98, 2012-17	Customs Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	79.21	1997-98 to 2000-01, 1991-92 to 1998-99, 2003-04 to 2004-05 to 2006- 07	Commissioner of Central Excise (Appeal)
Central Excise Act, 1944	Excise Duty	0.15	2009-10 to 2010-11	Deputy Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	41.47	2002-03 to 2006-07, 1996-97 to 1997 -98	Assistant Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	130.99	2006-07 to 2011-2012	High Court of Allahabad
Finance Act 1994	Service Tax	32.57	2004-05 to 2006-07, 2009-10 to 2010-11	Customs Excise and Service Tax Appellate Tribunal
Finance Act 1994	Service Tax	0.87	2009-10 to 2011-12	Commissioner of Central Excise & Service Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, except as described below, the moneys raised by way of term loans have been applied for the purposes for which they were obtained.

Particulars	Nature of delay/ default	Period of delay/ default	Amount	Subsequent rectification carried out by the Company
Term Loan obtained from a bank	Loan obtained for construction / refurbishment of storage facilities for tea division, though not utilized for this purpose.	Since 6th July, 2018	₹ 1,000 Lakhs	Not yet rectified

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Kolkata
Date: May 27, 2019

Balance Sheet

as at March 31, 2019

₹ Lakhs

Particulars			Note No.	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**				
1	**Non-current assets**				
	(a)	Property, plant and equipment	3	33,211.51	35,420.83
	(b)	Capital work-in-progress	3	474.25	276.87
	(c)	Investment property	4	5.64	5.64
	(d)	Intangible assets	5	1,044.66	317.06
	(e)	Intangible assets under development	5	-	6.55
	(f)	Financial assets			
		(i) Investments	6	1,015.64	265.67
		(ii) Loans	7	113.19	127.52
		(iii) Other financial assets	8	676.66	775.53
	(g)	Non-current tax assets (net)	9	943.76	706.62
	(h)	Other non-current assets	10	8,654.01	2,789.69
	Total non-current assets			**46,139.32**	**40,691.98**
2	**Current assets**				
	(a)	Inventories	11	25,280.13	30,010.92
	(b)	Financial assets			
		(i) Trade receivables	12	10,529.80	12,060.57
		(ii) Cash and cash equivalents	13A	469.22	350.88
		(iii) Other balances with banks	13B	50.99	56.90
		(iv) Loans	7	23,130.52	8,956.54
		(v) Other financial assets	8	4,643.39	4,414.61
	(c)	Other current assets	10	6,837.60	6,602.71
	(d)	Asset classified as held for sale	14	894.62	-
	Total current assets			**71,836.27**	**62,453.13**
	TOTAL ASSETS			**1,17,975.59**	**1,03,145.11**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a)	Equity share capital	15	3,634.36	3,634.36
	(b)	Other equity	16	34,034.53	30,792.46
	Total Equity			**37,668.89**	**34,426.82**
	Liabilities				
2	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	17	20,995.16	8,544.97
		(ii) Other financial liabilities	18A	394.73	394.73
	(b)	Provisions	19	579.96	640.85
	(c)	Deferred tax liabilities (net)	20	485.96	622.87
	Total non-current liabilities			**22,455.81**	**10,203.42**
3	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	21	8,451.88	10,338.83
		(ii) Trade payables			
		Total outstanding dues of micro enterprises and small enterprises	22	181.41	104.22
		Total outstanding dues of creditors other than micro enterprises and small enterprises	22	25,420.14	32,607.79
		(iii) Other financial liabilities	18B	11,554.34	6,833.72
	(b)	Other current liabilities	23	9,169.21	5,938.79
	(c)	Provisions	19	1,762.20	1,379.81
	(d)	Current tax liabilities (net)	24	1,311.71	1,311.71
	Total current liabilities			**57,850.89**	**58,514.87**
	Total Liabilities			**80,306.70**	**68,718.29**
	TOTAL EQUITY AND LIABILITIES			**1,17,975.59**	**1,03,145.11**
	See accompanying notes forming part of the standalone financial statements				

This is the Standalone Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2019

₹ Lakhs

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
1	Revenue from operations (gross)	25	1,45,773.38	1,47,522.87
2	Other income	26	3,540.99	1,976.73
3	**Total income (1+2)**		**1,49,314.37**	**1,49,499.60**
4	**Expenses**			
	(a) Cost of materials consumed	27.a	49,691.00	50,432.31
	(b) Purchases of stock-in-trade (traded goods)	27.b	38,541.00	40,740.71
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27.c	4,275.84	(812.84)
	(d) Excise duty		-	1,888.18
	(e) Employee benefit expense	28	15,690.38	16,770.81
	(f) Finance costs	29	5,398.76	2,870.01
	(g) Depreciation and amortisation expenses	30	2,183.69	1,924.29
	(h) Other expenses	31	25,298.16	27,968.01
	Total Expenses		**1,41,078.83**	**1,41,781.48**
5	**Profit before exceptional items and tax (3 - 4)**		**8,235.54**	**7,718.12**
6	Exceptional Items			
	Workmen separation cost	32	2,325.24	-
7	**Profit before tax (5-6)**		**5,910.30**	**7,718.12**
8	**Income tax expense**			
	(a) Current tax expense	33.a	1,275.52	1,732.72
	(b) Deferred tax	33.a	(91.01)	511.76
	Total tax expense (a+b)		**1,184.51**	**2,244.48**
9	**Profit for the year (7-8)**		**4,725.79**	**5,473.64**
10	**Other comprehensive income**			
	i) Items that will not be reclassified to profit or loss			
	a) Remeasurement gain on defined benefit plans	16.5	160.76	25.45
	b) Income tax related to above	16.5	(34.64)	(5.43)
	ii) Items that will be reclassified to profit or loss			
	a) Effective portion of loss on designated portion of hedging instrument in cash flow hedge		-	(29.98)
	b) Income tax related to above		-	10.37
	Total Other Comprehensive Income		**126.12**	**0.41**
11	**Total comprehensive income for the year (9+10)**		**4,851.91**	**5,474.05**
12	**Earnings Per Share - of ₹ 5/- each**			
	(a) Basic	34.8.a	6.50	7.53
	(b) Diluted	34.8.b	6.50	7.53
	See accompanying notes forming part of the standalone financial statements			

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Rajib Chatterjee
Partner
Membership Number 057134

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Statement of Cash Flow

for the year ended March 31, 2019

₹ Lakhs

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A. Cash flow from operating activities				
Profit before exceptional items and tax		8,235.54		7,718.12
Adjustments for:				
Depreciation and amortisation expenses	2,183.69		1,924.29	
Amortisation of lease payment as rent	31.50		31.50	
Profit on sale of property, plant and equipment	(657.44)		(556.68)	
Finance costs	5,398.76		2,870.01	
Interest income	(2,883.55)		(1,324.41)	
Allowance for bad and doubtful trade receivable	95.92		158.92	
Provision for indirect taxes	3.58		186.73	
Provisions/Liabilities no longer required written back	-		(95.64)	
Ind AS 115 Adjustment	(295.41)		-	
Net loss on fair valuation of investment through profit and loss	0.03		0.01	
Net unrealised foreign exchange (gain)/ loss	(64.99)	3,812.09	18.76	3,213.49
Operating profit before working capital changes		**12,047.63**		**10,931.61**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	4,730.79		(1,581.39)	
Trade receivables	1,431.10		(3,835.38)	
Loans (current and non-current)	34.11		7.25	
Other assets (current and non-current)	(6.03)		(2,968.64)	
Other Financial Assets (current and non-current)	(129.91)		(4,156.71)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(7,041.72)		8,663.61	
Other financial liabilities (current and non-current)	1,656.39		162.15	
Other liabilities (current and non-current)	(1,769.58)		3,281.37	
Provisions (current and non-current)	478.68	(616.17)	(48.51)	(476.25)
Cash generated from operations (before exceptional items)		**11,431.46**		**10,455.36**
Workmen separation cost (Refer note 32)		(2,325.24)		-
Cash generated from operations (after exceptional item)		**9,106.22**		**10,455.36**
Income tax paid		(1,593.20)		(2,322.14)
Net cash flow from operating activities (A)		**7,513.02**		**8,133.22**
B. Cash flow from investing activities				
Purchase of property, plant and equipments and intangible assets, including capital advances	(8,371.62)		(4,159.12)	
Proceeds from sale of property, plant and equipment	968.11		905.32	
Advance received against Chennai land sale agreement	5,000.00		-	
Investment in Associate	(750.00)		-	
Loan given to Subsidiary	(2.00)		(150.88)	
Loan given to others	(46,252.00)		(15,800.00)	
Loan realised from others	34,072.00		8,200.00	
Interest received	871.80	(14,463.71)	879.09	(10,125.59)
Net cash used in investing activities (B)		**(14,463.71)**		**(10,125.59)**

Statement of Cash Flow

for the year ended March 31, 2019

₹ Lakhs

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
C. Cash flow from financing activities				
Proceeds from non-current borrowings	22,500.00		4,820.89	
Repayment of non-current borrowings	(6,688.10)		(2,885.45)	
Decrease in working capital borrowings	(484.69)		(2,576.04)	
Proceeds from other current borrowings	52,150.00		70,000.00	
Repayment of other current borrowings	(45,500.00)		(70,000.00)	
Finance cost	(5,541.49)		(2,864.77)	
Dividends paid	(1,090.31)		-	
Tax on dividend	(224.12)	15,121.29	-	(3,505.37)
Net cash flow from/ (cash used) in financing activities (C)		**15,121.29**		**(3,505.37)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**8,170.60**		**(5,497.74)**
Cash and cash equivalents at the beginning of the year		(9,503.26)		(4,005.52)
Cash and cash equivalents at the end of the year		**(1,332.66)**		**(9,503.26)**

Reconciliation of Cash and cash equivalents as per the Standalone Statement of Cash Flow:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Cash and cash equivalents		
(a) Cash in hand	12.77	12.24
(b) Balances with banks		
- In current accounts	456.45	338.64
Total - Cash and cash equivalents (Refer Note 13 A)	**469.22**	**350.88**
B. Bank overdraft and cash credit (Refer Note 21)	**(1,801.88)**	**(9,854.14)**
C. Cash and cash equivalents as per standalone statement of cash flows (A+B)	**(1,332.66)**	**(9,503.26)**
See accompanying notes forming part of the standalone financial statements		

This is the Standalone Statement of Cash Flow referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Statement of changes in equity

for the year ended March 31, 2019

A. EQUITY SHARE CAPITAL

₹ Lakhs

Particulars	Total
Balance as at April 1, 2017	**3,634.36**
Changes in equity share capital during the year	-
Balance as at April 1, 2018	**3,634.36**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**3,634.36**

B. OTHER EQUITY

₹ Lakhs

	Reserves and Surplus						Items of other comprehensive income	
Particulars	**Securities premium reserve**	**Capital reserve**	**Foreign currency translation reserve**	**Development allowance reserve**	**Amalgamantion reserve**	**Retained earnings**	**Effective portion of cash flow hedge/ remeasurement gain on defined benefit plans**	**Total**
Balance as at April 1, 2017	**16,412.11**	**12,356.60**	**0.07**	**3.50**	**300.42**	**(3,773.83)**	**19.61**	**25,318.48**
Profit for the year	-	-	-	-	-	5,473.57	-	5,473.57
Adjustment of Foreign currency monetary items translation difference account	-	-	(0.07)	-	-	0.07	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	0.41	0.41
Total comprehensive income for the year	**-**	**-**	**(0.07)**	**-**	**-**	**5,473.64**	**0.41**	**5,473.98**
Balance as at March 31, 2018	**16,412.11**	**12,356.60**	**-**	**3.50**	**300.42**	**1,699.81**	**20.02**	**30,792.46**
Profit for the year	-	-	-	-	-	4,725.79	-	4,725.79
Ind AS 115 adjustment (Refer Note 34.4)	-	-	-	-	-	(295.41)	-	(295.41)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	126.12	126.12
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**4,430.38**	**126.12**	**4,556.50**
Payment of final dividend	-	-	-	-	-	(1,090.31)	-	(1,090.31)
Payment of dividend distribution tax on above	-	-	-	-	-	(224.12)	-	(224.12)
Balance as at March 31, 2019	**16,412.11**	**12,356.60**	**-**	**3.50**	**300.42**	**4,815.76**	**146.14**	**34,034.53**

See accompanying notes forming part of the standalone financial statements

This is the Standalone Statement of changes in equity referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Notes forming part of the financial statements

Note	Particulars

1. CORPORATE INFORMATION

Eveready Industries India Limited ("the Company") is in the business of manufacture and marketing of batteries, flashlights and packet tea under the brand name of "Eveready". The Company also distributes a wide range of electrical products and small home appliances. The Company has also entered into confectionery business through launch of fruit jellies under the brand name "Jollies".The Company is a Public Limited Company incorporated and domiciled in India with its registered office at 1, Middleton Street, Kolkata 700071. Eveready has its manufacturing facilities at Lucknow, Noida, Haridwar, Maddur, Kolkata and Goalpara (Assam) and is supported by a sales and distribution network across the country.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except for the following:

(i) certain financial instruments that are measured at fair value

(ii) assets held for sale-measured at lower of carrying amount and fair value less cost to sell and

(iii) defined benefit plans- plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company has adopted the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

a) Ind AS 115- Revenue from Contracts with Customers

b) Appendix B, Foreign Currency transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange rates

2.3 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates have been used in provision for warranties, provision for employee benefits, allowance for expected credit loss on financial assets and useful lives of property, plant and equipment.

Notes forming part of the financial statements

Note **Particulars**

2.4 Revenue recognition

Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers", using the modified retrospective approach which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 was insignificant on the financial statements of the Company.

Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognised when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognised depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods and services.

Sale of goods

The Company manufactures and markets batteries, flashlights and packet tea under the brand name of "Eveready". The Company also distributes a wide range of electrical products and small home appliances. The Company has also entered into confectionery business through launch of fruit jellies under the brand name "Jollies". Revenue from sale of goods is recognised when control of the products has transferred, being when the products are despatched to the customers and the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. A receivable is recognised when the goods are despatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue includes excise duty but exclude sales tax and value added tax upto the period ended June 30, 2017.The Government of India introduced Goods and Service Tax (GST) with effect from July 1, 2017 which subsumed Excise Duty and other indirect taxes. Consequently, revenue for the period post July 1, 2017 excludes GST.

Unfulfilled Performance Obligations

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. The management estimates the stand-alone selling price per unit on the basis of providing cost of such benefit. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidents. To the extent these benefits are not settled/ disbursed till the end of a reporting period these are recorded. Contract liability is recognised until the benefit is provided which is expected to be less than 12 months.

Interest income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

2.5 Foreign currency transactions and translations

The functional currency of the Company is Indian rupee (₹).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Effective April 1, 2018 the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense, income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Notes forming part of the financial statements

Note	Particulars

2.6 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

2.7 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.8 Employee benefits

2.8.1 Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current (creditors for accrued wages and salaries) in Balance Sheet.

2.8.2 Post - employment benefits

Defined Benefit Plans:

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at year end by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity. Changes in the present value of the defined benefit obligations resulting from plan ammendments or curtailments are recognisied immediately in profit or loss as past service cost.

Defined Contribution Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

2.8.3 Other long-term employee benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually at year end by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Notes forming part of the financial statements

Note **Particulars**

2.9 Income tax

2.9.1 Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Depreciation:

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Factory building - 25 years

Plant and equipment (other than moulds-3 shifts) - 20 years

Plant and equipment (other than moulds-2 shifts) - 26.67 years

Plant and equipment (other than moulds-1 shift) - 40 years

Moulds - 3 years

Vehicles - 3 years

Leasehold land is amortised over the duration of the lease.

Freehold land is not depreciated, except for improvements to the land included therein.

The estimated useful lives of the assets,residual values and depreciation method are reviewed regularly and are revised, whenever necessary.

Notes forming part of the financial statements

Note	Particulars

Capital work-in-progress:

Projects under which assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal/retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising thereon (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.12 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Intangible assets under development

Expenditure on research and development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Patent and trademark are amortised over their legal term or working life, whichever is shorter.

Computer software is amortised over the life of the software license ranging from one year to six years

2.13 Impairment of tangible and intangible assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. However, the following intangible assets are tested for impairment in each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

Notes forming part of the financial statements

Note **Particulars**

2.14 Inventories

Inventories of raw materials and stores and spare parts are valued at the lower of weighted average cost and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Work-in-progress and finished goods are valued at lower of cost and net realisable value where cost is worked out on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges alongwith appropriate proportion of overheads and, where applicable, excise duty.

Net realizable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

2.15 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding retirement benefits) are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Warranties

Provisions for service warranties and returns are recognised when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

2.16 Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Bank overdraft and cash credit are also considered as part of cash and cash equivalents for the purpose of statement of cash flows.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.19 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

Notes forming part of the financial statements

Note **Particulars**

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

2.19.1 Financial assets

Classfication

The Company classifies its financial assets in the following measurement categories:

(i) those measured at amortised cost and

(ii) those to be measured subsequently at fair value (through profit and loss).

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss where it is not measured at amortised cost.

c. Investment in subsidiaries and associate

Investment in subsidiaries and associate are measured at cost as per Ind AS 27 - Separate Financial Statements and Ind AS 28 - Investments in Associates and Joint Ventures.

d. Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

e. Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

2.19.2 Financial liabilities and equity

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

a Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

b. Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Notes forming part of the financial statements

Note **Particulars**

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

c. Derecognition of financial liabilities

The Company derecognises financial liabilities only when the Company's obligations are discharged, cancelled or they expire.

d. Hedge instruments

The Company uses hedge instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

The Company uses certain forward foreign exchange contracts as hedge instruments in respect of foreign exchange fluctuation risk. These hedge contracts do not generally extend beyond 6 months.

These hedges are accounted for and measured at fair value from the date the hedge contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts are marked-to-market at the end of each reporting period.

The Company also uses certain future and option contracts as hedge instruments in respect of commodity price fluctuation risk. These hedge instruments are accounted for as cash flow hedges.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges are recognised immediately in the Statement of Profit and Loss.

The effective portion of change in the fair value of the designated hedge instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedge reserve as a separate component of equity. Such amounts are reclassified into the Statement of Profit and Loss when the related hedged items affect profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in profit or loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

2.20 Recent accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time, a financial liability representing the future obligation will be recognised.

Ind AS 116 will be effective from April 1, 2019. The Company is currently assessing the impact of the new standard and expects material impact to the assets and liabilities recognised in the standalone financial statements as well as the statement of Profit and Loss.

Notes forming part of the financial statements

Note **Particulars**

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of :		
Freehold land	6,036.55	6,840.68
Buildings	11,406.72	11,992.53
Plant and equipment	14,711.55	15,308.94
Furniture and fixture	473.52	515.44
Vehicles	108.52	166.69
Office equipment	474.65	596.55
Sub-total	**33,211.51**	**35,420.83**
Capital work-in-progress	474.25	276.87
Total	**33,685.76**	**35,697.70**

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixture	Vehicles	Office equipment	Total	Capital work-in-progress
Cost								
Balance as at April 1, 2017	**7,171.52**	**11,061.18**	**16,449.57**	**470.02**	**205.78**	**425.14**	**35,783.21**	**318.32**
Additions	-	2,208.99	1,483.26	212.97	132.35	449.32	4,486.89	4,563.29
Disposals/ Transfer	(279.65)	(25.46)	(3.52)	(39.08)	(0.37)	(1.81)	(349.89)	(4,604.74)
Balance as at March 31, 2018	**6,891.87**	**13,244.71**	**17,929.31**	**643.91**	**337.76**	**872.65**	**39,920.21**	**276.87**
Additions	-	374.50	518.41	32.68	14.35	48.63	988.57	1,112.51
Disposals/ Transfer	(221.51)	-	(80.45)	(3.23)	(7.58)	(0.37)	(313.14)	(915.13)
Transferred to Assets classified as held for sale	(571.91)	(334.27)	-	-	-	-	(906.18)	0.00
Balance as at March 31, 2019	**6,098.45**	**13,284.94**	**18,367.27**	**673.36**	**344.53**	**920.91**	**39,689.46**	**474.25**
Accumulated depreciation								
Balance as at April 1, 2017	**34.13**	**693.77**	**1,582.01**	**76.15**	**102.94**	**173.12**	**2,662.12**	**-**
Elimination on disposals	-	(0.49)	(0.03)	(0.45)	-	(0.27)	(1.24)	-
Depreciation expense	17.06	558.90	1,038.39	52.77	68.13	103.25	1,838.50	-
Balance as at March 31, 2018	**51.19**	**1,252.18**	**2,620.37**	**128.47**	**171.07**	**276.10**	**4,499.38**	**-**
Elimination on disposals	-	-	(2.06)	(0.42)	-	-	(2.48)	-
Depreciation expense	10.71	637.60	1,037.40	71.79	64.94	170.16	1,992.60	-
Transferred to Assets classified as held for sale	-	(11.56)	-	-	-	-	(11.56)	-
Balance as at March 31, 2019	**61.90**	**1,878.22**	**3,655.71**	**199.84**	**236.01**	**446.26**	**6,477.94**	**-**
Carrying amount								
Balance as at April 1, 2017	**7,137.39**	**10,367.41**	**14,867.56**	**393.87**	**102.84**	**252.02**	**33,121.09**	**318.32**
Additions	-	2,208.99	1,483.26	212.97	132.35	449.32	4,486.89	4,563.29
Disposals/ Transfer	(279.65)	(24.97)	(3.49)	(38.63)	(0.37)	(1.54)	(348.65)	(4,604.74)
Depreciation expense	(17.06)	(558.90)	(1,038.39)	(52.77)	(68.13)	(103.25)	(1,838.50)	-
Balance as at March 31, 2018	**6,840.68**	**11,992.53**	**15,308.94**	**515.44**	**166.69**	**596.55**	**35,420.83**	**276.87**
Additions	-	374.50	518.41	32.68	14.35	48.63	988.57	1,112.51
Disposals/ Transfer	(221.51)	-	(78.40)	(2.81)	(7.58)	(0.37)	(310.67)	(915.13)
Depreciation expense	(10.71)	(637.60)	(1,037.40)	(71.79)	(64.94)	(170.16)	(1,992.60)	-
Transferred to Asset classified as held for sale (Refer Note 14)	(571.91)	(322.71)	-	-	-	-	(894.62)	-
Balance as at March 31, 2019	**6,036.55**	**11,406.72**	**14,711.55**	**473.52**	**108.52**	**474.65**	**33,211.51**	**474.25**

Notes forming part of the financial statements

Note **Particulars**

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS (CONTD.)

Property, plant and equipment pledged as security

Freehold land and buildings with a carrying amount of ₹ 9,080.35 Lakhs (as at March 31,2018: ₹ 9,529.05 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 17 and 21).

Plant and equipments, furniture and fixtures, vehicles and office equipments with a carrying amount of ₹ 10,284.43 Lakhs (as at March 31,2018: ₹ 10,362.96 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 17 and 21).

Freehold land and building includes a carrying value of ₹ 92.05 Lakhs (as at March 31,2018: ₹ 92.05 Lakhs) and ₹ 387.35 lakhs (as at March 31,2018: ₹ 447.06 Lakhs) respectively located at Maddur which is in the name of the erstwhile Company which was merged with the Company under Section 391 to 394 of the Companies Act,1956 in terms of the approval of the Honourable High Court(s) of judicature.

4. INVESTMENT PROPERTY

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Investment property		
Freehold land	2.73	2.73
Buildings	2.91	2.91
Total	**5.64**	**5.64**

₹ Lakhs

Particulars	Freehold land	Buildings	Total
Cost			
Balance as at April 1, 2017	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**2.73**	**2.91**	**5.64**
Accumulated depreciation			
Balance as at April 1, 2017	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**-**	**-**	**-**
Carrying amount			
Balance as at April 1, 2017	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**2.73**	**2.91**	**5.64**
Additions			
Disposals	-	-	-
Balance as at March 31, 2019	**2.73**	**2.91**	**5.64**

Fair value of the Company's investment property

The Company has identified its unused Freehold land and building at Plot No. 8, Industrial Park, Moula-Ali, Hyderabad, as Investment property. The fair value of such property at Hyderabad has been derived using the market comparable rate of the surrounding area as at March 31, 2019 and March 31, 2018 on the basis of a valuation carried out as on the respective dates by an independent valuer not related to the Company. The independent valuer is Government registered valuer and have appropriate qualifications and experience in the valuation of properties.

Notes forming part of the financial statements

Note	Particulars

4. **INVESTMENT PROPERTY (CONTD.)**

Details of the Company's investment property and information about the fair value hierarchy as at March 31,2019 and March 31,2018 are as follows:

₹ Lakhs

Particulars	Fair value As at March 31, 2019	Fair value As at March 31, 2018	Fair value hierarchy (Levels)
Industrial unit located in India, Hyderabad			
- Freehold land and building including compounded wall	10,525.95	10,525.95	Level 3
Total	**10,525.95**	**10,525.95**	

5. **INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of :		
Computer software	1,044.66	317.06
Purchased brand	*	*
Patent / Trademark	*	*
Sub-total	**1,044.66**	**317.06**
Intangible assets under development	-	6.55
Total	**1,044.66**	**323.61**

₹ Lakhs

Particulars	Computer software	Purchased brand	Patent/ Trademark	Total Intangible Assets	Intangible assets under development
Cost					
Balance as at April 1, 2017	**506.64**	*	*	**506.64**	**321.66**
Additions	113.80	-	-	113.80	-
Disposals/ Transfer		-	-	-	(315.11)
Balance as at March 31,2018	**620.44**	*	*	**620.44**	**6.55**
Additions	918.69	-	-	918.69	1,038.11
Disposals/ Transfer	-	-	-	-	(1,044.66)
Balance as at March 31,2019	**1,539.13**	*	*	**1,539.13**	**-**
Accumulated depreciation and impairment					
Balance as at April 1, 2017	**217.59**	**-**	**-**	**217.59**	**-**
Amortisation expense	85.79	-	-	85.79	-
Elimination on disposals	-	-	-	-	-
Balance as at March 31,2018	**303.38**	**-**	**-**	**303.38**	**-**
Amortisation expense	191.09	-	-	191.09	-
Elimination on disposals	-	-	-	-	-
Balance as at March 31,2019	**494.47**	**-**	**-**	**494.47**	**-**
Carrying amount					
Balance as at April 1, 2017	**289.05**	*	*	**289.05**	**321.66**
Additions	113.80	-	-	113.80	-
Disposals/ Transfer	-	-	-	-	(315.11)
Amortisation expense	(85.79)	-	-	(85.79)	-
Balance as at March 31, 2018	**317.06**	*	*	**317.06**	**6.55**
Additions	918.69	-	-	918.69	1,038.11
Disposals/ Transfer	-	-	-	-	(1,044.66)
Amortisation expense	(191.09)	-	-	(191.09)	-
Balance as at March 31,2019	**1,044.66**	*	*	**1,044.66**	**-**

* Below rounding off norms of the Company

Notes forming part of the financial statements

Note **Particulars**

6. NON-CURRENT INVESTMENTS

₹ Lakhs

Particulars	As at March 31, 2019			As at March 31, 2018		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investment in equity instruments						
(i) Investment in subsidiaries (at cost)						
- Greendale India Ltd. (formerly known as Litez India Ltd.)	-	5.00	5.00	-	5.00	5.00
50,000 equity shares of ₹10 each						
(As at March 31, 2018 : 50,000 equity shares of ₹10 each)						
- Everspark Hong Kong Pvt Ltd.	-	260.61	260.61	-	260.61	260.61
32,66,604 ordinary shares of HK$1 each						
(As at March 31, 2018 : 32,66,604 ordinary shares of HK$1 each)						
(ii) Investment in Associate (at cost)						
- Preferred Consumer Products Private Limited	-	750.00	750.00	-	-	-
750,000 equity shares of ₹ 10 each						
(As at March 31, 2018: Nil)						
(iii) Investment in others- McLeod Russel India Ltd (at fair value through profit and loss)						
40 equity shares of ₹ 5 each						
(As at March 31, 2018: 40 equity shares of ₹ 5 each)	0.03	-	0.03	0.06	-	0.06
Total	**0.03**	**1,015.61**	**1,015.64**	**0.06**	**265.61**	**265.67**
Aggregate carrying value of quoted investments			*			*
Aggregate market value of quoted investments			0.03			0.06
Aggregate carrying value of unquoted investments			1,015.61			265.61
Aggregate amount of impairment in value of investment			-			-
* Below rounding off norms of the Company						

7. LOANS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
At amortised cost				
(a) Loans to related parties (Refer note below)				
Unsecured, considered good	-	161.91	-	150.88
Doubtful	-	-	-	-
	-	161.91	-	150.88
Less: Allowance for doubtful loans	-	-	-	-
	-	**161.91**	**-**	**150.88**
(b) Loans to employees				
Unsecured, considered good	113.19	52.19	127.52	71.97
(c) Loans to others				
Unsecured, considered good	-	22,916.42	-	8,733.69
Total	**113.19**	**23,130.52**	**127.52**	**8,956.54**

Loans amounting to ₹ 23,130.52 Lakhs (as at March 31,2018: ₹ 8,956.54 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

Note: Loans include amounts due from: (Refer Note 34.7)

Notes forming part of the financial statements

Note	Particulars

7. LOANS (CONTD.)

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Subsidiary	-	161.91	-	150.88
Total	**-**	**161.91**	**-**	**150.88**

8. OTHER FINANCIAL ASSETS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
At amortised cost				
(a) Security deposits				
Unsecured, considered good	627.75	2,024.31	731.75	102.98
(b) Others Claims (includes fiscal benefit receivable for Assam plant, receivable from supplier,etc)				
Unsecured, considered good	48.91	2,619.08	43.78	4,311.63
Total	**676.66**	**4,643.39**	**775.53**	**4,414.61**

Other financial assets amounting to ₹ 4,643.39 Lakhs (as at March 31,2018: ₹ 4,414.61 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

9. NON-CURRENT TAX ASSETS (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax [net of income-tax payable ₹ 4,060.85 Lakhs] (As at March 31, 2018 ₹ 2,704.79 Lakhs)	943.76	706.62
Total	**943.76**	**706.62**

10. OTHER ASSETS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Unsecured, considered good unless other wise stated				
(i) Prepaid expenses	1,180.78	352.74	1,212.28	352.61
(ii) Employee benefit assets				
- Gratuity fund (Refer Note 34.5)	900.89	-	918.82	-
- Pension fund (Refer Note 34.5)	67.38	-	274.79	-
(iii) Capital advances	6,270.17	-	158.13	-
(iv) CENVAT / VAT/ Service tax / GST recoverable	216.78	3,835.79	198.93	4,803.42
(v) Deposit with port authority	-	122.72	-	306.91
(vi) Other loans and advances				
(a) Advance for supplies and services	-	2,414.83	-	1,052.62
(b) Advance to related party	-	37.74	-	29.85

Notes forming part of the financial statements

Note **Particulars**

10. OTHER ASSETS (CONTD.)

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
(c) Others (including travel advance, etc.)	18.01	73.78	26.74	57.30
	18.01	2,526.35	26.74	1,139.77
Total	**8,654.01**	**6,837.60**	**2,789.69**	**6,602.71**

Other assets amounting to ₹ 3,753.33 Lakhs (net of GST liability ₹ 3,084.27 Lakhs) (as at March 31,2018: ₹ 3,154.73 Lakhs net of GST liability ₹ 3,447.98 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

11. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Raw materials	7,487.93	7,722.23
Goods-in-transit	1,081.48	1,270.55
	8,569.41	**8,992.78**
(b) Work-in-progress	3,824.16	4,499.49
(c) Finished goods (other than those acquired for trading)	5,509.88	7,084.84
(d) Stock-in-trade (acquired for trading)	6,730.20	8,755.75
(e) Stores and spares	646.48	678.06
Total	**25,280.13**	**30,010.92**

The cost of inventories recognised as an expense includes ₹ 134.62 Lakhs (for the year ended March 31, 2018 ₹ 469.33 Lakhs) in respect of write-down of inventory on account of obsolecence/adjustments. There has also been reversals of write-down by ₹ 143.71 Lakhs (for the year ended March 31,2018 ₹ 0.73 Lakhs)

The mode of valuation of inventories has been stated in Note 2.14

Inventories amounting to ₹ 25,280.13 Lakhs (as at March 31,2018: ₹ 30,010.92 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

12. TRADE RECEIVABLES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables		
Unsecured, considered good	10,529.80	12,060.57
Doubtful	605.43	509.51
	11,135.23	**12,570.08**
Less: Allowance for doubtful trade receivables (expected credit loss allowance) - Refer (i) below	605.43	509.51
Total	**10,529.80**	**12,060.57**

The average credit period on sale of goods is 24 days. No element of financing is deemed present and the sales are generally made with an average credit term of 24 days, which is consistent with market practice. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the cutomer exceeds 1 year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Customers seeking appointment to dealership are approved by the Regional Head of Sales for a channel after completing the Customer Business Data Form, alongwith all necessary documents. New customers are usually on advance payment terms for three months. Customers seeking supply on credit after the stipulated period are extended the facility after evaluation by the Regional Head of Sales for the channel alongwith the Regional Commercial Manager. Sufficient proof of solvency has to be provided by the customer seeking credit. The credit limits are reviewed once every year in April.

Notes forming part of the financial statements

Note	Particulars

12. TRADE RECEIVABLES (CONTD.)

₹ Lakhs

Debtors ageing	As at March 31, 2019	As at March 31, 2018
Within the credit period	7,008.76	7,709.05
1-30 days past due	1,805.93	2,589.19
31-60 days past due	691.50	1,076.59
61-90 days past due	319.78	519.07
More than 90 days past due	1,309.26	676.18
Total	**11,135.23**	**12,570.08**

(i) The Company's maximum exposure to credit risk with respect to customers as at March 31, 2019 ₹ 605.43 lakhs (as at March 31, 2018: ₹ 509.51 lakhs), which is the fair value of trade receivables less impairment loss as shown below. There is no concentration of credit risk with respect to any particular customer.

Trade receivables amounting to ₹ 10,529.80 Lakhs (as at March 31,2018: ₹ 12,060.57 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

Movement in the allowances for doubtful trade receivables (expected credit loss allowance)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	509.51	350.59
Movement in expected credit loss allowance on trade receivables	95.92	158.92
Balance at end of the year	**605.43**	**509.51**

13. CASH AND CASH EQUIVALENTS AND OTHER BALANCES WITH BANKS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Cash and cash equivalents		
(a) Cash in hand	12.77	12.24
(b) Balances with banks		
- In current accounts	456.45	338.64
Total (A)	**469.22**	**350.88**
B. Other balances with banks		
In earmarked accounts		
(i) Unpaid dividend accounts	42.89	36.16
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	8.10	20.74
Total (B)	**50.99**	**56.90**
Total cash and bank balances (A+B)	**520.21**	**407.78**

Cash and cash equivalents amounting to ₹ 520.21 Lakhs (as at March 31,2018: ₹ 407.78 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

14. ASSET CLASSIFIED AS HELD FOR SALE

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Land	571.91	-
Building	322.71	-
Total	**894.62**	**-**

The Company entered into an Agreement for Sale on December 05, 2018 with M/s Alwarpet Properties Pvt. Ltd. for sale of its land situated at Tiruvottiyur, Chennai for a consideration of ₹ 10,000 Lakhs, out of which an amount of ₹ 5,000 Lakhs has been received during the year (Refer Note 23).

Land and building classified as held for sale is measured at lower of its carrying amount and fair value less costs to sell.

Notes forming part of the financial statements

Note **Particulars**

15. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs
(a) Authorised				
Equity shares of ₹ 5 each with voting rights	21,15,60,000	10,578.00	21,15,60,000	10,578.00
(b) Issued				
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36
(c) Subscribed and fully paid up				
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36
Total	**7,26,87,260**	**3,634.36**	**7,26,87,260**	**3,634.36**

Refer Notes (i), (ii) and (iii) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Additions during the year	Deletions during the year	Closing balance
Equity shares with voting rights				
Year ended March 31, 2019				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36
Year ended March 31, 2018				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36

(ii) Terms / rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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 shall be according to the members right and interest in the Company.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Williamson Magor & Co Ltd.	1,70,30,741	23.43%	1,70,07,841	23.40%
Williamson Financial Services Ltd.	63,90,988	8.79%	63,70,988	8.76%
Bishnauth Investments Limited	41,48,246	5.71%	41,48,246	5.71%
DSP Blackrock Micro Cap Fund	1,27,174	0.17%	46,32,608	6.20%
Franklin Templeton Investment Funds	47,71,914	6.57%	34,09,258	4.69%
Amansa Holdings Private Limited	27,96,887	3.85%	40,00,000	5.55%

Notes forming part of the financial statements

Note **Particulars**

16. OTHER EQUITY

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve	12,356.60	12,356.60
Securities premium reserve	16,412.11	16,412.11
Development allowance reserve	3.50	3.50
Amalgamation reserve	300.42	300.42
Retained earnings and other comprehensive income	4,961.90	1,719.83
Total	**34,034.53**	**30,792.46**

16.1 Capital reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	12,356.60	12,356.60
Movement during the year	-	-
Balance at end of year	**12,356.60**	**12,356.60**

Capital reserve represents a resource created by accumulated capital surplus and remains invested in the business not to be distributed as dividends.

16.2 Securities premium reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	16,412.11	16,412.11
Movement during the year	-	-
Balance at end of year	**16,412.11**	**16,412.11**

Securities premium reserve is used to record the premium on issue of shares. The reserve is maintained for utilisation in accordance with the provisions of the Companies Act, 2013.

16.3 Development allowance reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	3.50	3.50
Movement during the year	-	-
Balance at end of year	**3.50**	**3.50**

Development allowance reserve pertains to erstwhile McLeod Russel (India) Limited (MRIL), which was added to the equity of the Company as at April 1, 1996 consequent to the amalgation of MRIL and Faith Investments Limited with the Company.

Notes forming part of the financial statements

Note **Particulars**

16. OTHER EQUITY (CONTD.)

16.4 Amalgamation reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	300.42	300.42
Movement during the year	-	-
Balance at end of year	**300.42**	**300.42**

The amalgamation reserve was created on April 1, 2007 during the amalgamation of the erstwhile Powercell Battery India Limited (PBIL) with the Company. This represents the difference between the paid up share capital of erstwhile PBIL and the value of investments of the Company in erstwhile PBIL.

16.5 Retained earnings and Other Comprehensive Income

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at the beginning of the year	1,719.83	(3,773.83)
Profit for the year	4,725.79	5,473.57
Ind AS 115 Adjustment (Refer Note 34.4)	(295.41)	-
Adjustment of Foreign currency translation reserve	-	0.07
Other comprehensive income arising from remeasurement gain on defined benefit plans net of income tax	126.12	20.02
Payment of final dividend on equity shares [₹ 1.50 per share (Previous year ₹ NIL per share)]	(1,090.31)	-
Payment of dividend distribution tax on final dividend	(224.12)	-
Balance at the end of the year	**4,961.90**	**1,719.83**

17. NON-CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Term loans- at amortised cost		
From banks (Secured)		
ICICI Bank Ltd.	3,001.96	-
HDFC Bank Ltd.	4,494.78	6,738.74
DCB Bank Ltd.	2,916.82	-
Federal bank Ltd.	1,591.12	-
Indusind Bank Ltd.	1,856.23	-
RBL Bank Ltd.	6,530.93	-
Axis Bank Ltd.	599.46	1,795.13
Car loans	3.86	11.10
Total	**20,995.16**	**8,544.97**

Notes forming part of the financial statements

Note **Particulars**

17. NON-CURRENT BORROWINGS (CONTD.)

(i) Details of terms of repayment for the borrowings and security provided in respect of the secured borrowings:

₹ Lakhs

Particulars	Terms of repayment and security	As at March 31, 2019	As at March 31, 2018
Term loans from banks:			
a) HDFC Bank Ltd.	Exclusive first charge on the company's movable and immovable assets situated at Mornoi Village, Goalpara District, Assam, Second pari passu charge on movable and immovable fixed assets of the Company's unit at Uttaranchal. Rate of Interest as at March 31, 2019 - 9.05% p.a, March 31, 2018 - 8.50% p.a Terms of repayment : Repayment in 48 monthly installement of INR 187.50 lakhs starting from April-18 with 24 months' moratorium period.	4,494.78	6,738.74
b) Indusind Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Kolkata, Lucknow & Haridwar Rate of Interest as at March 31, 2019-9.55% p.a, March 31, 2018 - Nil Terms of repayment: 16 Quarterly installments starting from October-18 of INR 62.50 lakhs for the first 4 Quarter & INR 187.50 lakhs for the subsequent 12 Quarters	1,856.23	-
c) ICICI Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Hyderabad, Chennai, Lucknow, Rainey Park, Kolkata, Rate of Interest - March 31, 2019 - 9.50% p.a,March 31, 2018- Nil Terms of repayment: 36 montly installments starting from September-18 First installment - INR 35.00 Lakhs Next 6 installments - INR 50.00 Lakhs ending on March-19 Next 11 installments - INR 135.00 Lakhs ending on February-20 Next 12 installments - INR 165.00 Lakhs ending on February-21 Rest 6 installments - INR 200.00 Lakhs	3,001.96	-
d) DCB Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Lucknow, Rainey Park, Kolkata & Haridwar Rate of Interest as at March 31, 2019- 9.79% p.a, March 31, 2018 - Nil Terms of repayment: 12 Quarterly installments starting from March-19 of INR 416.67 Lakhs with 5 months' moratorium period.	2,916.82	-
e) Federal Bank Ltd.	Secured by first charge on the property of the Company situated at B1, Sector 80, Gautam Budh Nagar, Noida, UP. The charge is restricted up to INR 40 crores irrespective of the value. Rate of Interest as at March 31, 2019 - 9.35% p.a, March 31, 2018 - Nil Terms of repayment: 36 monthly installments starting from March-19 of INR 69.44 Lakhs 6 months' moratorium period.	1,591.12	-
f) RBL Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Lucknow, Rainey Park, Kolkata, Haridwar & Hyderabad Rate of Interest as at March 31, 2019- 10.00% p.a, March 31, 2018 - Nil Terms of repayment: 16 Quarterly installments starting from December-19 of INR 468.75 Lakhs 12 months' moratorium period.	6,530.93	-
g) Axis Bank	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Kolkata, Tiruvottiyur Chennai & Lucknow. Rate of Interest as at March 31, 2019 - 8.60% p.a, March 31, 2018 - 8.30% p.a Terms of repayment starting from April 2018: 30 equal monthly installments of INR 100.00 lakhs with 6 months moratorium period.	599.46	1,795.13
h) Car loans	Secured by way of hypothecation of cars financed. Terms of repayment: Various; Each repayable in 36 equated installments.	3.86	11.10
TOTAL -TERM LOANS FROM BANKS		**20,995.16**	**8,544.97**

Notes forming part of the financial statements

Note **Particulars**

17. NON-CURRENT BORROWINGS (CONTD.)

(ii) For the current maturities of long-term borrowings, refer items B (a) in Note 18 Other financial liabilities

(iii) Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt during the year.

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	469.22	350.88
Current Borrowings	(8,451.88)	(10,338.83)
Non-current Borrowings (including Current Maturities and Interest Accrued)	(30,027.51)	(14,358.33)
Net Debt	**(38,010.17)**	**(24,346.28)**

₹ Lakhs

Particulars	Cash and Cash Equivalents including bank Overdraft	Non-current Borrowings (including Current Maturities and Interest Accrued)	Current Borrowings	Total
Net Debt as at April 1, 2018	(9,503.26)	(14,358.33)	(484.69)	(24,346.28)
Cash flows	8,170.60	(15,811.91)	(6,165.31)	(13,806.62)
Finance cost	(1,897.61)	(2,443.89)	(1,057.26)	(5,398.76)
Finance cost paid	1,897.61	2,586.62	1,057.26	5,541.49
Net Debt as at March 31, 2019	**(1,332.66)**	**(30,027.51)**	**(6,650.00)**	**(38,010.17)**

18. OTHER FINANCIAL LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Non-current financial liabilities		
Security deposits received	394.73	394.73
Total	**394.73**	**394.73**
B. Current financial liabilities		
(a) Current maturities of long-term debt (Refer Note 17)	8,957.16	5,722.26
(b) Interest accrued on borrowings	75.19	91.10
(c) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:		
(i) Unpaid dividends		
- Not Due	46.16	39.43
(d) Other payables		
(i) Payables on purchase of property, plant and equipment and intangible assets	166.71	328.20
(ii) Retention money	448.04	564.21
(iii) Employee benefits liability	1,651.22	-
(iv) Others (includes payable to co-operative society, accrual of audit fees, etc.)	209.86	88.52
Total	**11,554.34**	**6,833.72**

Notes forming part of the financial statements

Note	Particulars

19. PROVISIONS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
(a) Provision for employee benefits:				
(i) Post-employment medical benefits (Refer Note 34.5)	276.98	35.59	283.36	36.42
(ii) Compensated absences (Refer Note 34.5)	302.98	78.78	357.49	72.53
	579.96	**114.37**	**640.85**	**108.95**
(b) Provision - Others:				
(i) Sales tax, excise, etc (Refer (i) below)	-	967.75	-	964.17
(ii) Warranty provisions (Refer (ii) below)	-	680.08	-	306.69
	-	**1,647.83**	**-**	**1,270.86**
Total	**579.96**	**1,762.20**	**640.85**	**1,379.81**

Details of provisions

(i) The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ Lakhs

Particulars	As at April 1, 2018	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2019
Provision for other contingencies					
Sales Tax	132.54	-	-	-	132.54
Excise	503.56	52.47	-	(1.02)	555.01
Others (service tax, customs duty,etc)	328.07	10.81	-	(58.68)	280.20
Total	**964.17**	**63.28**	**-**	**(59.70)**	**967.75**

₹ Lakhs

Particulars	As at April 1, 2017	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2018
Provision for other contingencies					
Sales tax	139.05	-	-	(6.51)	132.54
Excise	376.35	186.34	-	(59.13)	503.56
Others (service tax, customs duty,etc)	352.46	0.39	-	(24.78)	328.07
Total	**867.86**	**186.73**	**-**	**(90.42)**	**964.17**

The expected time of resulting outflow is one to two years.

Notes forming part of the financial statements

Note **Particulars**

19. PROVISIONS (CONTD.)

(ii) The provision for warranty claims represents the estimated future outflow of economic benefits that will be required to settle the Company's obligations for warranties. This has been made mainly on the basis of historical warranty trends.

₹ Lakhs

Particulars	As at April 1, 2018	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2019
Warranty provisions	306.69	1,621.03	(1,247.64)	680.08
Total	**306.69**	**1,621.03**	**(1,247.64)**	**680.08**

₹ Lakhs

Particulars	As at April 1, 2017	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2018
Warranty provisions	374.82	708.32	(776.45)	306.69
Total	**374.82**	**708.32**	**(776.45)**	**306.69**

20. DEFERRED TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	3,064.35	2,396.07
Deferred tax liabilities	(3,550.31)	(3,018.94)
Total	**(485.96)**	**(622.87)**

₹ Lakhs

Particulars	As at April 1, 2018	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2019
A. Deferred tax assets				
Disallowance under section 40(a)(i) of the Income Tax Act, 1961	13.84	10.62	-	24.46
Allowances for doubtful debts and advances	176.34	194.33	-	370.67
Provision for compensated absences	148.82	(15.42)	-	133.40
Expenditures falling under section 43B of Income Tax Act, 1961	499.60	(29.37)	-	470.23
Mat credit entitlement	1,369.67	-	-	1,369.67
Mat credit utilised and set off against earlier years' tax provision	-	-		45.90
Others	187.80	462.22	-	650.02
	2,396.07	**622.38**	**-**	**3,064.35**
B. Deferred tax liabilities				
Cash flow hedge	-	-	-	-
Difference between book balance and tax balance of property, plant and equipment	3,018.94	531.37	-	3,550.31
	3,018.94	**531.37**	**-**	**3,550.31**
Net deferred tax assets/(liabilities) (A-B)	**(622.87)**	**91.01**	**-**	**(485.96)**

Notes forming part of the financial statements

Note	Particulars

20. DEFERRED TAX LIABILITIES (NET) (CONTD.)

MAT credit entitlement amounting to ₹ 1,275.52 Lakhs as at March 31, 2019 (March 31, 2018: ₹ 1,732.72 Lakhs has not been recognised due to uncertainty surrounding availability of future taxable income against which such credit can be offset.

₹ Lakhs

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2018
A. Deferred tax assets				
Effect of recognizing derivative instruments other than designated as cash flow hedge at fair value	34.87	(34.87)	-	-
Disallowance under section 40(a)(i) of the Income Tax Act, 1961	13.84	-	-	13.84
Allowances for doubtful debts and advances	121.34	55.00	-	176.34
Provision for compensated absences	149.83	(1.01)	-	148.82
Expenditures falling under section 43B of Income Tax Act, 1961	428.68	70.92	-	499.60
Mat credit entitlement	1,369.67	-	-	1,369.67
Others	101.89	85.91	-	187.80
	2,220.12	**175.95**	**-**	**2,396.07**
B. Deferred tax liabilities				
Cash flow hedge	10.37	-	(10.37)	-
Difference between book balance and tax balance of property, plant and equipment	2,331.23	687.71	-	3,018.94
	2,341.60	**687.70**	**(10.37)**	**3,018.94**
Net deferred tax (liabilities)/assets (A-B)	**(121.48)**	**(511.76)**	**10.37**	**(622.87)**

21. CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
From banks-Secured at amortised cost		
Bank overdraft and cash credit (Refer (i) below)	1,801.88	9,854.14
From Banks- Unsecured at amortised cost		
Demand Loan	5,900.00	484.69
From other parties-Unsecured at amortised cost		
Demand Loan	750.00	-
Total	**8,451.88**	**10,338.83**

(i) Details of security:

₹ Lakhs

Particulars	Nature of security	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand from banks:			
Axis Bank Ltd.	Secured by first charge on the whole of the current assets of the Borrower namely, stocks of raw materials, semi finished and finished goods stores and spares, bills receivable and book debts and all other movables, both present and future and ranking pari passu with the charges created and /or to be created in favour of other banks in the consortium and first/ second charge on the property, plant and equipment of the company.	45.15	-
UCO Bank		75.34	4,573.26
United Bank of India		727.26	2,867.59
ICICI Bank Ltd.		70.41	2,413.29
HDFC Bank Ltd.		883.72	-
Total - from banks (secured)		**1,801.88**	**9,854.14**

Notes forming part of the financial statements

Note **Particulars**

22. TRADE PAYABLES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables:		
(i) Total outstanding dues of micro enterprises and small enterprises	181.41	104.22
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	23,423.94	30,368.31
(iii) Due to subsidiaries	1,996.20	2,239.48
Total	**25,601.55**	**32,712.01**

The average credit period for purchase of materials and traded products ranges from 30 to 180 days.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	181.41	104.22
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.33	0.70
(iv) The amount of interest due and payable for the year	2.33	0.70
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	4.64	2.31

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 on the basis of information available with the Company.

23. OTHER CURRENT LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Statutory remittances (Contributions to PF and ESIC, withholding Taxes, GST, etc.)	3,217.86	3,662.90
(ii) Advances from customers	301.86	527.41
(iii) Advance received against Chennai land sale agreement	5,000.00	-
(iv) Entry tax, Sales tax payable and other taxes	96.14	1,557.15
(v) Ind AS 115 Deferred revenue (Refer Note 34.4)	480.32	-
(vi) Others	73.03	191.33
Total	**9,169.21**	**5,938.79**

Revenue recognised in relation to contract liability
The following table shows how much of the revenue recognised in the current revenue period relates to carry forward contract liabilities.

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advances from customers	**527.41**	**-**

Notes forming part of the financial statements

Note	Particulars

24. CURRENT TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Income-tax payable [(net of advance income-tax ₹ 3,000.32 Lakhs (As at March 31, 2018 ₹ 3,000.32 Lakhs)]	1,311.71	1,311.71
	1,311.71	**1,311.71**

25. REVENUE FROM OPERATIONS

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products-[including excise duty of NIL (for the year ended March 31, 2018 ₹ 1,888.18 Lakhs)] (Refer (i) below)	1,44,200.17	1,47,083.03
(b) Other operating revenues (Refer (ii) below)	1,573.21	439.84
Total	**1,45,773.38**	**1,47,522.87**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Sale of products comprises: **		
Manufactured goods		
Batteries	73,678.36	74,521.40
Flashlights	10,009.18	10,457.43
Packet tea	6,830.44	7,172.08
Electrical products	94.56	743.35
Total - Sale of manufactured goods	**90,612.54**	**92,894.26**
Traded goods		
Batteries	1,044.81	1,119.00
Flashlights	8,119.95	8,389.68
Electrical products	31,880.03	33,721.94
Small home appliances	13,882.20	10,912.59
Confectioneries	1,251.18	45.56
Total - Sale of traded goods	**56,178.17**	**54,188.77**
Total - Sale of products	**1,46,790.71**	**1,47,083.03**
(ii) Other operating revenues comprise:		
Sale of scrap	266.52	190.40
Fiscal Incentive for Assam plant	1,274.61	224.59
Others	32.08	24.85
Total - Other operating revenues	**1,573.21**	**439.84**

** These figures are at their respective contract prices.

Notes forming part of the financial statements

Note **Particulars**

25. REVENUE FROM OPERATIONS (CONTD.)

A) The following table shows unsatisfied performance obligations related to schemes

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferment of revenue for unsatisfied performance obligations	480.32	-

B) The following table shows reconciliation of revenue recognised with contract price.

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Contract Price	1,46,790.71	1,47,083.03
Adjustments for:		
Refund Liabilities- Discount/Rebates	(2,935.17)	-
Contract Liabilities-Schemes	344.63	-
Total	**1,44,200.17**	**1,47,083.03**

26. OTHER INCOME

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income [Refer (i) below]	2,883.55	1,324.41
(b) Other non-operating income [Refer (ii) below]	657.44	652.32
Total	**3,540.99**	**1,976.73**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Interest income comprises:		
- On bank deposits and others	13.76	15.66
- On loans and advances	2,869.79	1,263.96
- On advance payment of taxes	-	44.79
Total - Interest income	**2,883.55**	**1,324.41**
(ii) Other non-operating income comprises:		
- Profit on sale of property, plant and equipment	657.44	556.68
- Provisions/Liabilities no longer required written back	-	95.64
Total - Other non-operating income	**657.44**	**652.32**

Notes forming part of the financial statements

Note	Particulars

27.a COST OF MATERIALS CONSUMED

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock	8,992.78	8,381.19
Add: Purchases	49,267.63	51,043.90
	58,260.41	**59,425.09**
Less: Closing stock	8,569.41	8,992.78
Total cost of material consumed	**49,691.00**	**50,432.31**
Material consumed comprises:		
Zinc spelter	12,054.25	13,135.32
Acetylene black	1,824.06	1,617.27
Brass	1,170.40	1,367.97
Manganese ore	1,545.72	1,589.58
Black tea for packet tea	4,916.95	5,429.03
Others	28,179.62	27,293.14
Total	**49,691.00**	**50,432.31**

27.b PURCHASES OF STOCK-IN-TRADE (TRADED GOODS)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Batteries	720.51	806.06
Flashlights	5,250.38	5,306.98
Electrical products	20,913.20	24,028.94
Small Home appliances	10,682.06	10,540.84
Others	974.85	57.89
Total	**38,541.00**	**40,740.71**

27.c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year:		
Finished goods	5,509.88	7,084.84
Work-in-progress	3,824.16	4,499.49
Stock-in-trade	6,730.20	8,755.75
	16,064.24	**20,340.08**
Inventories at the beginning of the year:		
Finished goods	7,084.84	9,758.88
Work-in-progress	4,499.49	3,728.04
Stock-in-trade	8,755.75	6,040.32
	20,340.08	**19,527.24**
Net (increase) / decrease	**4,275.84**	**(812.84)**

Notes forming part of the financial statements

Note **Particulars**

28. EMPLOYEE BENEFIT EXPENSE

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	13,521.64	14,337.11
Contributions to provident and other funds (Refer Note 34.5)	1,217.85	1,310.90
Staff welfare expenses	950.89	1,122.80
Total	**15,690.38**	**16,770.81**

29. FINANCE COSTS

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest expense on borrowings	5,039.48	2,645.88
(b) Net loss on foreign currency transactions and translation (considered as finance cost)	-	91.48
(c) Other borrowing costs	359.28	132.65
Total	**5,398.76**	**2,870.01**

30. DEPRECIATION AND AMORTISATION EXPENSES

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation for the year on Property, plant and equipment as per Note 3	1,992.60	1,838.50
Amortisation for the year on Intangible assets as per Note 5	191.09	85.79
Total	**2,183.69**	**1,924.29**

31. OTHER EXPENSES

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	579.77	367.27
Decrease in excise duty in inventory of finished goods	-	(661.27)
Power and fuel	1,250.87	1,346.10
Rent*	970.68	828.86
Repairs and maintenance - Buildings	311.62	283.66
Repairs and maintenance - Machinery	967.42	934.85
Repairs and maintenance - Software	438.96	293.90
Insurance	203.85	222.32
Rates and taxes	336.18	720.74
Reversal of interest component of entry tax	(739.85)	-
Travelling and conveyance	3,191.06	3,180.74
Freight, shipping and selling expenses	10,265.00	9,127.89

Notes forming part of the financial statements

Note **Particulars**

31. OTHER EXPENSES (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Advertisement, sales promotion and market research	2,840.49	6,552.96
Expenditure on Corporate Social Responsibility (Refer Note 34.9)	171.80	162.49
Payments to auditors (Refer (i) below)	73.21	66.13
Allowance for bad and doubtful trade receivables	95.92	158.92
Loss on foreign currency transactions and translation (other than considered as finance cost)	261.00	36.33
Provision for indirect taxes [Refer note 19(b)(i)]	3.58	186.73
Loss on fair valuation of investment through profit and loss	0.03	0.01
Miscellaneous expenses	4,076.57	4,159.38
Total	**25,298.16**	**27,968.01**

(i) Payments to auditors

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payments to the auditors comprises fees for (net of GST/Service tax input credit, where applicable):		
As auditor		
Audit fees	37.50	37.50
In other capacities		
Tax audit fees	6.00	6.00
Certification fees and others	21.10	22.43
Reimbursement of expenses	8.61	0.20
Total	**73.21**	**66.13**

(ii) Other Expenses include following expenses related to Investment property that did not generate rental income:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	0.03	0.07
Power and fuel	0.09	0.02
Repairs and maintenance - Machinery & Building	0.01	0.18
Travelling and conveyance	0.18	0.06
Rates and taxes	31.57	3.93
Miscellaneous expenses- security service charge	17.11	17.06
Total	**48.99**	**21.32**

*The Company has taken premises (land, office, godowns etc.) on operating lease. These leasing arrangements are cancellable and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are included in Rent in other expenses.

Notes forming part of the financial statements

Note **Particulars**

32. EXCEPTIONAL ITEMS

Exceptional items relate to costs related to a voluntary retirement scheme for workmen (VRS), completed during the year ended March 31, 2019 for the manufacturing facility at Tiruvottiyur, Chennai.

33. INCOME TAX EXPENSE

33.a. Income tax recognised in profit and loss

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of current year	1,275.52	1,732.72
	1,275.52	**1,732.72**
Deferred tax		
In respect of current year	(91.01)	511.76
	(91.01)	**511.76**
Total	**1,184.51**	**2,244.48**

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	**5,910.30**	**7,718.12**
Income tax expense calculated at 34.944% (for the year ended March 31 ,2018 :34.608%)	2,065.30	2,671.09
Difference on account of Tax Rate	(29.63)	-
Effect of income exempt from taxation (under section 80-IC of the Income Tax Act, 1961)	(2,184.03)	(1,478.73)
Effect of concessions (research and development and other allowances)	32.38	(41.53)
MAT Credit Entitlement under section 115JAA– being the difference between tax payable under MAT & normal provisions	1,275.52	888.19
Effect of expenses that are not deductible in determining taxable profit	60.03	205.46
Others	(35.06)	-
Total	**1,184.51**	**2,244.48**

33.b. Income tax recognised in other comprehensive income

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
Arising on remeasurement gain on defined benefit plans	(34.64)	(5.43)
	(34.64)	**(5.43)**
Deferred tax		
Arising on effective portion of loss on designated portion of hedging instrument in cash flow hedge	-	10.37
	-	**10.37**
Total	**(34.64)**	**4.94**

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

34.1 Contingent liabilities & commitments (to the extent not provided for)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Contingent liabilities		
(a) Penalty imposed by Competition Commission of India ("CCI") on the company and on certain officers of the Company (Refer note below #)	17,208.41	17,208.41
(b) Claims against the Company not acknowledged as debts:		
- Excise & Customs *	1,641.17	1,660.44
- Sales tax	88.27	70.65
* Excludes interest claimed in a few cases by respective authorities but amount not quantified.		
(c) Others (includes ESI, property tax, water tax etc.)	80.20	125.60
(ii) Guarantees	32,475.03	4,135.79
(iii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Property, plant and equipment	434.88	401.38
- Intangible assets	13.45	4.95

Note:

The Competition Commission of India ("CCI") issued an Order dated April 19, 2018, imposing penalty on certain zinc carbon dry cell battery manufacturers, concerning contravention of the Competition Act, 2002 (The Act). The penalty imposed on the Company was ₹ 17,155 lakhs. The Company filed an appeal and stay application before the National Company Law Appellate Tribunal, New Delhi, (NCLAT) against the CCI's said Order.Since then, the NCLAT vide its order dated May 09, 2018, has stayed the penalty with the direction of depositing 10% of the penalty amount within 15 days with the Registry of the NCLAT. The Company has complied with the said direction of the NCLAT. Meanwhile, the Company received legal advice to the effect that given the factual background and the judicial precedents, there are reasonable grounds on the basis of which the NCLAT will allow the appeal and will either adjudicate upon the quantum of penalty imposed or remand it to the CCI for de novo consideration. It may also be noted that a certain amount of penalty will be levied on the Company as it had also earlier filed an application under the Lesser Penalty Regulations under the Act. However, at this stage it is not possible to quantify or even make a reasonable estimate of the quantum of penalty that may be imposed on the Company. According to the aforesaid legal advice, the matter should be recognized as a contingent liability as defined under Ind-AS 37 and there should be no adjustment required in the financial statements of the Company in accordance with Ind-AS 10. Accordingly, pending the final disposal of the appeal, the amount has been disclosed as contingent liability in the financial statements. It may also be noted that penalty imposed in this connection on certain officers of the Company amounting ₹ 53.41 Lakhs has been included in the above.

34.2 Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013

Interest bearing (which is not lower than prevailing yield of related Government Security close to the tenure of respective loans) loans repayable on demand to Babcock Borsig Ltd, McNally Bharat Ltd, Williamson Financial Services Ltd, Seajuli Developers & Finance Ltd, Greendale India Limited and Williamson Magor & Co. Ltd. outstanding at the year end were ₹ 8,664.00 Lakhs, ₹ 411.87 Lakhs, ₹ 146.62 Lakhs, ₹ 13,671.48 Lakhs, ₹ 161.91 Lakhs and ₹ 22.46 Lakhs respectively and maximum amount outstanding during the year was ₹ 8,664.00 Lakhs, ₹ 2,889.81 Lakhs, ₹ 4,981.95 Lakhs, ₹ 25,849.32 Lakhs, ₹ 161.91 Lakhs and ₹ 1,408.09 Lakhs respectively, for their business purposes.

34.3 The Company has given inter-corporate deposits to certain companies (part of the promoter group). From time to time, these deposits were repaid by the borrowing entities to the Company on demand. However, some of these deposits amounting to ₹ 19,929 lakhs and interest outstanding thereon amounting to ₹ 3,150 lakhs are lying outstanding as at March 31, 2019. Furthermore, the Company has furnished certain corporate guarantees and post-dated cheques in favour of banks/ other parties who have provided loans to the companies (part of the promoter group), outstanding amount of these guarantees/post-dated cheques being ₹ 28,309 lakhs as at March 31, 2019. Repayment of these deposits and the guarantees/post-dated cheques

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

given to/on behalf of these companies along with future interest have been guaranteed by certain promoter Directors of the Company, in the event of a default by the said companies to pay the dues. Furthermore, a promoter group level restructuring is under way to monetize assets to meet up the various liabilities of the companies (part of the promoter group) including the outstanding advances and any potential liability related to the guarantees/post-dated cheques, due to the Company. The management therefore believes that the outstanding dues shall be recovered and no provision is required at this stage.

34.4 Impact of new revenue standard

The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has applied modified retrospective approach in adopting the new standard and accordingly, the revenue from operations for the year ended March 31, 2019 is not comparable with the previous year. Necessary adjustments for adoption of the aforesaid standard have been made resulting in increase in profit before tax for the year ended March 31, 2019 by ₹ 118.72 Lakhs and increase in earnings per share by ₹ 0.13. Further, an amount of ₹ 295.41 Lakhs has also been adjusted retained earnings as on April 1, 2018 on account of unsatisfied performance obligations as on the date of initial application of the standard i.e April 1, 2018.

34.5 Employee benefit plans

34.5.a Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity
ii. Post-employment medical benefits
iii. Pension
iv. Leave Encashment

The following table sets out the funded/unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**
Components of employer expense								
Current service cost	220.13	1.52	-	130.53	238.81	1.49	-	139.27
Interest cost	178.65	22.93	17.29	28.55	158.01	21.69	17.90	27.66
Interest Income on plan assets	(250.31)	-	(26.64)	-	(230.02)	-	(37.47)	-
Past service cost	-	-	-	-	27.22			
Actuarial losses / (gains) arising from changes in financial assumptions	-	-	-	8.17	-	-	-	13.67
Actuarial losses / (gains) arising from changes in experience adjustments	-	-	-	(104.06)	-	-	-	(107.95)
Total expense / (income) recognised in the Statement of Profit and Loss	**148.47**	**24.45**	**(9.35)**	**63.19**	**194.02**	**23.18**	**(19.57)**	**72.65**
Return on Plan Assets (Excluding Interest Income)	(9.11)	-	(63.47)	-	(54.13)	-	(52.75)	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	41.04	4.05	1.64	-	93.76	(14.92)	6.15	-
Actuarial losses / (gains) arising from changes in experience adjustments	(127.13)	(0.74)	(7.03)	-	(25.09)	19.55	1.98	-
Total expense / (income) recognised in Other Comprehensive Income	**(95.20)**	**3.31**	**(68.86)**	**-**	**14.54**	**4.63**	**(44.62)**	**-**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**
Net asset / (liability) recognised in the Balance Sheet								
Present value of defined benefit obligation	2,330.13	312.57	242.84	381.76	2,651.29	319.78	260.28	430.02
Fair value of plan assets	3,231.02	-	310.22	-	3,570.11	-	535.07	-
Status [Surplus / (Deficit)]	900.89	(312.57)	67.38	(381.76)	918.82	(319.78)	274.79	(430.02)
Net asset / (liability) recognised in the Balance Sheet	**900.89**	**(312.57)**	**67.38**	**(381.76)**	**918.82**	**(319.78)**	**274.79**	**(430.02)**
Change in defined benefit obligations (DBO) during the year								
Present value of DBO at beginning of the year	2,651.29	319.78	260.28	430.02	2,355.88	327.92	277.10	432.93
Current service cost	220.13	1.52	-	130.53	238.81	1.49	-	139.27
Interest cost	178.65	22.93	17.29	28.55	158.01	21.69	17.90	27.66
Past service cost	-	-	-	-	27.22	-	-	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	41.04	4.05	1.64	8.17	93.76	(14.92)	6.15	13.67
Actuarial losses / (gains) arising from changes in experience adjustments	(127.13)	(0.74)	(7.03)	(104.06)	(25.09)	19.55	1.98	(107.95)
Benefits paid	(633.85)	(34.97)	(29.34)	(111.45)	(197.30)	(35.95)	(42.85)	(75.56)
Present value of DBO at the end of the year	**2,330.13**	**312.57**	**242.84**	**381.76**	**2,651.29**	**319.78**	**260.28**	**430.02**
Change in fair value of assets during the year								
Plan assets at beginning of the year	3,570.11	-	535.07	-	3,286.02	-	625.81	-
Interest Income on plan assets	250.31	-	26.64	-	230.02	-	37.47	-
Actual company contributions	35.34	34.97	(285.62)	111.45	197.24	35.95	(138.11)	75.56
Return on Plan Assets (excluding Interest Income)	9.11	-	63.47	-	54.13	-	52.75	-
Benefits paid	(633.85)	(34.97)	(29.34)	(111.45)	(197.30)	(35.95)	(42.85)	(75.56)
Plan assets at the end of the year	**3,231.02**	**-**	**310.22**	**-**	**3,570.11**	**-**	**535.07**	**-**
Composition of the plan assets is as follows:								
Government bonds	-	NA	-	NA	-	NA	-	NA
Special Deposit with SBI	-	NA	65.35	NA	-	NA	65.35	NA
Corporate Bonds	-	NA	-	NA	-	NA	-	NA
Insurance Companies	3,226.63	NA	3,416.45	NA	3,566.32	NA	3,297.91	NA
Cash and Cash Equivalents	4.39	NA	3.98	NA	3.79	NA	10.36	NA
Actuarial assumptions								
Discount rate	7.52%	7.44%	6.82%	7.44%	7.67%	7.65%	7.04%	7.66%
Expected return on plan assets	7.67%	NA	7.04%	NA	7.00%	NA	7.00%	NA

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**
Salary escalation	7.00%	NA	NIL	7.00%	7.00%	NA	NIL	7.00%
Withdrawal Rate : Upto 40 Years	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%
Withdrawal Rate : 40 Years & above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Early Retirement & Disability 40-54 Years	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
Early Retirement & Disability 55-59 Years	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%
Mortality tables	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate
Average longeivity at retirement age for current beneficiaries of the plan (Years)								
Males	NA	NA	NA	NA	NA	NA	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA
Average longeivity at retirement age for current employees(future beneficiaries of the plan) (Years)								
Males	NA	75.9	NA	NA	NA	75.45	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA

These plans typically expose the Company to actuarial risks are as follows:

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk*	The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated.

* Not applicable for Pension fund

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Sensitivity analysis

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

₹ Lakhs

Sensitivity	Pension		Post employment medical benefits		Compensated absences		Gratuity	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
DBO at March 31 with discount rate +0.5 %	3.68	4.12	10.17	12.38	14.66	17.87	117.58	133.71
DBO at March 31 with discount rate -0.5%	(3.85)	(4.32)	(10.93)	(14.15)	(15.76)	(19.25)	(127.52)	(144.90)
DBO at March 31 with +1% salary escalation	N/A	N/A	N/A	N/A	(32.51)	(39.83)	(260.11)	(288.20)
DBO at March 31 with -1% salary escalation	N/A	N/A	N/A	N/A	28.66	34.99	227.62	260.23
DBO at March 31 with +1% benefit increase	N/A	N/A	(3.12)	(3.20)	N/A	N/A	N/A	N/A
DBO at March 31 with -1% benefit increase	N/A	N/A	3.13	3.19	N/A	N/A	N/A	N/A

Estimated Cash Flows(Undiscounted) in Subsequent years

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
1st year	292.77	35.60	62.18	81.62	307.20	36.42	103.55	75.24
Within 2 to 5 years	347.98	129.19	58.81	77.56	448.58	133.28	87.08	87.58
Within 6 to 10 years	848.39	132.92	62.31	155.00	809.70	137.79	80.02	163.59
10 years and above	4,719.10	273.01	63.73	346.74	5,616.43	288.22	66.77	360.22

Provident Fund

Contributions towards provident funds are recognised as expense for the year. The Company has set up a Provident Fund Trust which is administered by Trustees. Both the employees and the Company make monthly contributions to the Fund at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment.

The Trust invests funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under "The Employees' Provident Funds and Miscellaneous Provisions Act, 1952" and shortfall, if any, on account of interest is to be made good by the Company.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, no amount is required to be provided towards future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

Principal Actuarial Assumptions	Year ended March 31, 2019	Year ended March 31, 2018
Discount Rate	7.43%	7.64%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified)	Indian Assured Lives Mortality (2006-08) (modified)
Expected Return on Fund	8.83%	8.55%

Total amount charged to the Statement of Profit and Loss for the year ended March 31, 2019 ₹ 374.65 lakhs (For the year ended March 31, 2018 ₹ 377.67 lakhs)

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under "The Employees' Provident Funds & Miscellaneous Provisions Act, 1952" in the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

Pension fund

Contribution towards Pension fund [Total amount charged to the Statement of Profit and Loss for the year ended March 31, 2019 ₹ 570.64 lakhs (For the year ended March 31, 2018 ₹ 585.85 lakhs)]

34.6 Segment information

The Company is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products, small home appliances and confectionery products which come under a single business segment known as Consumer Goods.The financial performance relating to this single business segment is evaluated regularly by the Managing Director and Chief Financial Officer (Chief Operating Decision Makers).

The company is domiciled in India. The amount of its revenue from external customers is broken down by location of the customers is shown in the table below.

₹ Lakhs

Revenue from external customers	For the year ended March 31, 2019	For the year ended March 31, 2018
India	1,41,153.86	1,44,129.12
Other countries	3,046.31	2,953.90
Total	**1,44,200.17**	**1,47,083.03**

The company is domiciled in India. The company does not have any Non-current assets ouside India.

34.7 Related party transactions

34.7.a Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Everspark Hong Kong Private Limited
	Greendale India Limited (formerly known as Litez India Limited)
Associate	Preferred Consumer Products Private Limited
Investor Company (for which the Company is an associate)	Williamson Magor & Co. Limited
Employee Benefit Trusts	Eveready India Managerial Staff Pension Fund
	Eveready India Managerial Staff Gratuity Fund
	Eveready India Employees Gratuity Fund
	Eveready India Staff Provident Fund
Key Management Personnel (KMP)	
Executive Directors	Mr. Suvamoy Saha
	Mr. Amritanshu Khaitan

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Description of relationship	Names of related parties
Non- Executive Directors	Mr. Brij Mohan Khaitan
	Mr. Aditya Khaitan
	Mr. Subir Ranjan Dasgupta
	Mrs. Ramni Nirula
	Mr. Ajay Kaul
	Mr. Aniruddha Roy (Effective September 17, 2018)
	Mr. Sudipto Sarkar (Till March 29, 2019)
Relatives of KMP with whom the Company had transactions during the year	Ms. Yashodhara Khaitan - Mother of Mr. Amritanshu Khaitan
	Ms. Isha Khaitan - Spouse of Mr. Amritanshu Khaitan
	Ms. Nitya Bangur - Sister of Mr. Amritanshu Khaitan
	Ms. Apurvi Khaitan - Daughter of Mr. Aditya Khaitan

34.7.b Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Subsidiaries		
(i) Everspark Hong Kong Private Limited		
Purchase of goods	3,732.90	4,236.30
Reimbursement of expenses	154.96	60.38
Outstanding as at the year end		
Trade payables	1,996.20	2,239.48
Guarantees and collaterals	2,661.12	2,509.53
(ii) Greendale India Limited (formerly known as Litez India Limited)		
Purchase of goods	-	8.98
Interest earned during the year	10.03	4.30
Outstanding as at the year end		
Advances	32.39	29.85
Loans	161.91	150.88
Associate		
(i) Preferred Consumer Products Private Limited		
Interest Expense	49.93	-
Reimbursement of expenses	55.65	-
Outstanding as at the year end		
Advances	5.35	-
Borrowings	750.00	-
Investor Company (for which the Company is an associate)		
(i) Williamson Magor & Co. Limited		
Interest Income	22.46	-
Reimbursement of expenses	1.55	1.05
Rendering of services	180.00	180.00
Rent paid	2.75	3.00
Outstanding as at the year end		
Trade payables/Interest receivable	22.46	30.00
Employee Benefit Trusts		
Eveready India Managerial Staff Pension Fund	56.00	183.00
Eveready India Managerial Staff Gratuity Fund	-	91.00
Eveready India Employees Gratuity Fund	-	71.00

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Eveready India Staff Provident Fund	327.98	326.65
Contribution to employment benefit plans	**383.98**	**671.65**
Key Management Personnel (KMP)		
Executive Directors		
(i) Mr. Suvamoy Saha		
Remuneration		
Short-term benefits	265.55	264.34
Post employment benefits*	32.40	32.40
	297.95	**296.74**
(ii) Mr. Amritanshu Khaitan		
Remuneration		
Short-term benefits	366.36	357.40
Post employment benefits*	45.36	44.44
	411.72	**401.84**
Commission paid to Non-Executive Directors		
Mr. Brij Mohan Khaitan	-	1.00
Mr. Aditya Khaitan	1.00	1.00
Mr. Subir Ranjan Dasgupta	1.00	1.00
Mr. Sanjiv Goenka	-	1.00
Mrs. Ramni Nirula	-	1.00
Mr. Sudipta Sarkar	-	1.00
Mr. Ajay Kaul	-	1.00
Mr. Aniruddha Roy	1.00	-
	3.00	**7.00**
Sitting fees paid to Non-Executive Directors		
Mr. Brij Mohan Khaitan	1.00	2.00
Mr. Aditya Khaitan	2.40	2.70
Mr. Subir Ranjan Dasgupta	4.30	3.80
Mr. Sanjiv Goenka	-	1.50
Mrs. Ramni Nirula	2.80	2.60
Mr. Sudipta Sarkar	1.40	2.10
Mr. Ajay Kaul	2.00	2.00
Mr. Aniruddha Roy	1.20	-
	15.10	**16.70**
Relatives of KMP with whom the Company had transactions during the year		
Rent paid		
- Ms. Yashodhara Khaitan	3.60	3.60
- Ms. Isha Khaitan	7.80	7.80
- Ms. Nitya Bangur	12.00	12.00
- Ms. Apurvi Khaitan	7.80	7.80
	31.20	**31.20**
Remuneration		
- Ms. Apurvi Khaitan	12.45	12.45

* As the liabilities for gratuity and compensated absences are provided on actuarial basis for the company as a whole, amounts pertaining to KMP are not included.

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.8 Earnings per share

₹ Lakhs

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
34.8.a	Basic		
	Profit for the year ₹ in Lakhs	4,725.79	5,473.64
	Weighted average number of equity shares for basic EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Basic ₹	6.50	7.53
34.8.b	Diluted		
	The diluted earnings per share has been computed by dividing the profit for the year available for equity shareholders by the weighted average number of equity shares.		
	Profit for the year ₹ in Lakhs	4,725.79	5,473.64
	Weighted average number of equity shares for diluted EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Diluted ₹	6.50	7.53

34.9 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, healthcare and rural development. The expenditure incurred (Refer Note 31) during the year on these activities are as specified in schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the Company during the year ₹ 167.06 Lakhs

(b) Amount spent during the year on:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	171.80	162.49
Total	**171.80**	**162.49**

34.10 Details of research and development expenditure recognised as an expense

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee benefits expense	303.70	304.90
Consumables	40.48	39.68
Travelling expenses	35.08	40.57
Rent	4.06	4.14
Others	144.73	149.49
Total	**528.05**	**538.78**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11 Financial instruments

34.11.1 Capital management

The Company's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Company also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Company to contain / reduce the cost of capital.

34.11.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Debt (A)	38,404.20	24,606.06
Cash and bank balance(B)	520.21	407.78
Net debt (A-B)	**37,883.99**	**24,198.28**
Total equity before exceptional items	**39,994.13**	**34,426.82**
Net debt to equity ratio before exceptional items (%)	94.72%	70.29%
Total equity	**37,668.89**	**34,426.82**
Net debt to equity ratio (%)	100.57%	70.29%

34.11.1.2 Dividend

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Equity shares		
Final dividend for the year ended March 31, 2018 of ₹ 1.50 per fully paid share	-	1,090.31
Dividend Distribution Tax on final dividend	-	224.12
(ii) Dividend not recognised at the end of the reporting period		
Since year end no dividend has been proposed.	-	-
Dividend Distribution Tax on proposed dividend	-	-

34.11.2 Categories of financial instruments

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investments designated at fair value through profit or loss (FVTPL)	0.03	0.06
Measured at amortised cost		
(a) Cash and bank balances	520.21	407.78
(b) Other financial assets at amortised cost	39,093.56	26,334.77
Measured at cost		
Investment in subsidiaries	265.61	265.61
Financial Liabilites		
Measured at amortised cost		
Financial liabilities measured at amortised cost	41,396.11	26,112.25

34.11.3 Financial risk management objectives

The Company endeavours to manage the financial risks related to it's operations through specified policies, which deals with various market risks (foreign currency exchange risk, interest rate risks and commodity price risks), credit risks and liquidity risks. In order to minimize any adverse effects on the

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

financial performance of the Company, derivative financial instruments like foreign exchange forward contracts, commodity future and option contracts, maintaning proper mix between fixed and floating rate of borrowings are undertaken to hedge the various financial risks as per guidelines set in those policies. Credit risk management is done through managing credit limits and transactions through letters of credit. Liquidity risk is managed through availability of committed credit lines and borrowing facilities.

34.11.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices in international markets. The Company enters into foreign exchange forward contracts and commodity futures contracts to manage it's market risks.

34.11.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within the approved policy utilising forward foreign exchange contracts as and when required depending upon market volatility

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

₹ Lakhs

Particulars	Liabilities		Assets	
	As at March 31,2019	As at March 31, 2018	As at March 31,2019	As at March 31,2018
USD	3,397.13	5,674.91	317.15	240.17
HKD	1,992.13	60.74	-	-

34.11.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency US Dollar and Hong Kong Dollar.This sensitivity analysis mentioned in the below table has been based on the composition of the Company's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit before tax where the INR(₹) strengthens 5% against the relevant currency. For a 5% weakening of the INR(₹) against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

₹ Lakhs

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
US Dollar:		
Impact on profit or loss for the year	154.00	271.74
Hong Kong Dollar:		
Impact on profit or loss for the year	99.61	3.04

34.11.5.2 Foreign Exchange Forward Contracts

It is the policy of the Company to enter into foreign exchange forward contracts to cover foreign currency payments for known liabilities as and when required. There were no forward foreign exchange contracts outstanding at the end of the reporting period as also at the corresponding previous period.

34.11.6 Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

34.11.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (borrowings) at the end of the reporting period. For liabilities with floating rate, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's:

- profit before tax for the year ended March 31, 2019 would decrease/increase by ₹ 244.70 lakhs (for the year ended March 31, 2018: decrease/ increase by ₹ 122.58 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

34.11.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterpartie as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at March 31, 2019, an amount of ₹ 30,970.12 lakhs (as at March 31, 2018: ₹ 2,509.53 lakhs) and other bank gurantees amounts to ₹ 1,504.91 lakhs as at March 31, 2019 (as at March 31, 2018: ₹ 1,626.26 lakhs) has been considered as contingent liabilities (see note 34.1). These financial guarantees have been issued to banks under the supply agreements entered into with certain vendors.

34.11.7.1 Collateral held as security and other credit enhancements

The Company does not collect any collateral or other credit enhancements to cover its credit risks associated with its finacial assets.

34.11.8 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

34.11.8.1 Liquidity risk tables

a) Expected maturity for non-derivative financial liabilities

₹ Lakhs

Particulars	Less than 1 month	1-3 months	3 months to 1 year	More than 1 year	Total
March 31, 2019					
Trade Payables	8,383.43	7,000.99	9,618.81	598.32	25,601.55
Other liabilities	256.02	-	614.75	394.73	1,265.50
Borrowings	622.55	1,934.72	6,480.54	20,989.71	30,027.50
March 31, 2018					
Trade Payables	19,850.92	3,038.09	9,823.00	-	32,712.01
Other liabilities	127.95	-	892.41	394.73	1,415.09
Borrowings	521.11	2,060.07	3,716.87	8,544.97	14,843.02

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11.9 Financing facilities

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured bill acceptance facility, reviewed	**2,000.00**	**8,750.00**
-amount used	-	484.69
-amount unused	2,000.00	8,265.32
Secured bank overdraft facility :	**16,000.00**	**16,000.00**
-amount used	1,801.88	10,338.83
-amount unused	14,198.12	5,661.17
Secured letter of credit/ Bank Guarantee	**12,000.00**	**12,000.00**
-amount used	4,927.84	5,129.38
-amount unused	7,072.16	6,870.62
Secured bank loan facilities with various maturity dates through to March 31, 2019 and which may be extended by mutual agreement	**43,500.00**	**21,000.00**
-amount used	43,500.00	21,000.00
-amount unused	-	-

34.11.10 Fair value measurments

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

34.11.10.1 Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined:

Financial assets / (liabilities)

₹ Lakhs

Particulars	Fair value as at		Fair value hierarchy (Levels)	Valuation techniques and key inputs
	As at March 31,2019	As at March 31, 2018		
Investments in equity instruments	0.03	0.06	Level 1	Quoted bid prices in an active market

Note There are no transfers from Level 1 and Level 2 during the year end March 31, 2019

34.11.10.2 Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Notes forming part of the financial statements

Note **Particulars**

Financial assets / (liabilities)

₹ Lakhs

Particulars	Fair value hierarchy (Levels)	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost :					
Loan to employees	Level 3	113.19	94.18	127.52	107.65
Total		**113.19**	**94.18**	**127.52**	**107.65**
Financial liabilities					
Financial liabilities held at amortised cost:					
Borrowings	Level 3	20,995.16	19,469.70	8,544.97	7,870.67
Total		**20,995.16**	**19,469.70**	**8,544.97**	**7,870.67**

The fair values of the financial assets and financial liabilties incuded in the level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counterparties.

34.12 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 27, 2019.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Independent Auditor's report

To
The Members of
Eveready Industries India Limited

Report on the audit of the Consolidated financial statements

Disclaimer of Opinion

1. We were engaged to audit the accompanying consolidated financial statements of **Eveready Industries India Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate (refer Note 2.20 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").

2. We do not express an opinion on the aforesaid consolidated financial statements of the Group and its associate company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

3. We draw your attention to Note 34.3 to the consolidated financial statements that describes the (i) inter-corporate deposits and (ii) corporate guarantees and post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group out of which an amount of ₹ 22,917 Lakhs (including interest) and ₹ 28,309 Lakhs respectively are outstanding as at March 31, 2019. Further, the Holding Company has given advance amounting to ₹ 6,200 Lakhs to a company, on the basis of a memorandum of understanding (MOU) towards transfer by way of assignment, the leasehold rights of a property. The deed of assignment was initially agreed to be executed prior to the year-end, failing which the Company had a right to cancel the MOU and claim refund of the advance. However, neither has the deed been executed nor the refund claimed by the Holding Company.

   We are unable to obtain sufficient appropriate audit evidence regarding the extent of the loss allowance /impairment to be recognised on these inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques, if any, and the consequential impact on the consolidated financial statements as at and for the year ended March 31, 2019 and accordingly, forms a basis for the Disclaimer of Opinion.

Emphasis of Matter

4. We draw attention to Note 34.1 to the consolidated financial statements which relates to the penalty of ₹ 17,155 Lakhs levied by the Competition Commission of India for non-compliance with provisions of the Competition Act 2002, against which an appeal has been filed by the Holding Company with the National Company Law Appellate Tribunal, New Delhi. As per legal advice obtained by the Holding Company, the amount of penalty cannot be reliably estimated at this stage owing to the uncertainty of the future outcome of the litigation.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

9. We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

Other matters

10. We did not audit the financial statements of a subsidiary whose financial

statements reflect total assets of ₹ 29.46 Lakhs and net assets of ₹ (165.66) Lakhs as at March 31, 2019, total revenue of ₹ 0.20 Lakhs, loss of ₹ 11.18 Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (11.18) Lakhs and net cash flows amounting to ₹ 0.51 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ (291.56) Lakhs for the year ended March 31, 2019 as considered in the consolidated financial statements, in respect of an associate company whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiary and associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

11. The financial statements of a subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 5,267.39 Lakhs and net assets of ₹ 435.68 Lakhs as at March 31, 2019, total revenue of ₹ 8,623.66 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 155.44 Lakhs and net cash flows amounting to ₹ 45.16 Lakhs for the year then ended, have been prepared in accordance with accounting principles generally accepted in its country and have been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India, including other information, is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

    Our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

12. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements. However, as described in the Basis for Disclaimer of Opinion paragraph, we are unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the audit.

    (b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books and the report of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether they have any adverse effect on the functioning of the Group and its associate.

    (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

    (g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph, read with paragraph 12(b) above.

    (h) With respect to the adequacy of internal financial controls with reference to the consolidated financial statements of the Holding Company and a subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Clause (i) of section 143(3) of the Act is not applicable to the associate company incorporated in India pursuant to notification G.S.R 583(E) dated June 13, 2017.

    (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 34.1 to the consolidated financial statements.

        ii. The Group and its associate did not have any long-term contracts including derivative contracts as at March 31, 2019.

        iii. During the year ended March 31, 2019, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company and associate company incorporated in India.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2019.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Kolkata
Date: May 27, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(h) of the Independent Auditors' Report of even date to the members of Eveready Industries India Limited on the consolidated financial statements for the year ended March 31, 2019

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we were engaged to audit the internal financial controls with reference to consolidated financial statements of **Eveready Industries India Limited** (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date. Reporting under clause (i) of subsection (3) of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is not applicable to an associate incorporated in India namely Preferred Consumer Products Private Limited, pursuant to MCA notification GSR 583 (E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to consolidated financial statements of the Company.

Meaning of Internal Financial Controls with reference to financial statements

5. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Basis for Disclaimer of Opinion

6. We are unable to obtain sufficient appropriate audit evidence on which to base our opinion on the effectiveness of Holding Company's internal financial controls with reference to consolidated financial statements over the assessment of the extent of the loss allowance/impairment to be recognised on inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group. Consequent to the material weakness in such internal controls, the possible effects on the consolidated financial statements of undetected misstatements could be both material and pervasive.

Disclaimer of Opinion

7. As described in the Basis for Disclaimer paragraph above, because of the significance of the matters, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Holding Company and its subsidiary company had adequate internal financial controls with reference to consolidated financial statements and whether such internal financial controls were operating effectively as at March 31, 2019 based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

8. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Holding Company and its subsidiary company for the year ended March 31, 2019, and the disclaimer has affected our opinion on the consolidated financial statements and we have issued a disclaimer of opinion on the consolidated financial statements for the year ended on that date. (Refer paragraph 2 of the main audit report).

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Kolkata
Date: May 27, 2019

Consolidated Balance Sheet

as at March 31, 2019

₹ Lakhs

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	33,211.51	35,420.83
(b) Capital work-in-progress	3	474.25	276.87
(c) Investment property	4	5.64	5.64
(d) Intangible assets	5	1,044.66	317.06
(e) Intangible assets under development	5	-	6.55
(f) Financial assets			
(i) Investments	6	662.56	0.06
(ii) Loans	7	113.19	127.52
(iii) Other financial assets	8	676.66	775.53
(g) Non-current tax assets (net)	9	944.37	707.10
(h) Other non-current assets	10	8,654.02	2,789.69
Total non-current assets		**45,786.86**	**40,426.85**
2 Current assets			
(a) Inventories	11	25,280.13	30,010.92
(b) Financial assets			
(i) Trade receivables	12	13,604.33	12,060.57
(ii) Cash and cash equivalents	13A	669.61	496.83
(iii) Other balances with banks	13B	53.96	59.81
(iv) Loans	7	22,968.61	8,805.66
(v) Other financial assets	8	4,643.99	4,415.21
(c) Other current assets	10	6,830.82	6,598.37
(d) Asset classified as held for sale	14	894.62	-
Total current assets		**74,946.07**	**62,447.37**
TOTAL ASSETS		**1,20,732.93**	**1,02,874.22**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	3,634.36	3,634.36
(b) Other equity	16	33,955.53	30,638.24
Total equity		**37,589.89**	**34,272.60**
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	20,995.16	8,544.97
(ii) Other financial liabilities	18A	394.73	394.73
(b) Provisions	19	579.96	640.85
(c) Deferred tax liabilities (net)	20	485.96	622.87
Total non-current liabilities		**22,455.81**	**10,203.42**
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	10,850.52	12,132.99
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	22	181.41	104.22
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	25,830.17	30,694.59
(iii) Other financial liabilities	18B	11,569.57	6,833.97
(b) Other current liabilities	23	9,169.80	5,940.91
(c) Provisions	19	1,762.20	1,379.81
(d) Current tax liabilities (net)	24	1,323.56	1,311.71
Total current liabilities		**60,687.23**	**58,398.20**
Total Liabilities		**83,143.04**	**68,601.62**
TOTAL EQUITY AND LIABILITIES		**1,20,732.93**	**1,02,874.22**
See accompanying notes forming part of the consolidated financial statements			

This is the Consolidated Balance Sheet referred to in our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

₹ Lakhs

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
1	Revenue from operations (gross)	25	1,50,664.14	1,47,526.04
2	Other income	26	3,531.15	1,972.99
3	**Total revenue (1+2)**		**1,54,195.29**	**1,49,499.03**
4	**Expenses**			
	(a) Cost of materials consumed	27.a	54,478.75	50,434.39
	(b) Purchases of stock-in-trade (traded goods)	27.b	38,541.00	40,740.71
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27.c	4,275.84	(798.84)
	(d) Excise duty		-	1,888.18
	(e) Employee benefit expense	28	15,690.38	16,770.81
	(f) Finance costs	29	5,476.88	2,930.49
	(g) Depreciation and amortisation expenses	30	2,183.69	1,924.29
	(h) Other expenses	31	25,156.96	28,048.63
	Total expenses		**1,45,803.50**	**1,41,938.66**
5	**Profit before exceptional items, share of net loss of investments and tax (3 - 4)**		**8,391.79**	**7,560.37**
6	Share of net loss of associates	34.12	(87.47)	-
7	**Profit before exceptional items and tax (5 - 6)**		**8,304.32**	**7,560.37**
8	Exceptional item			
	Workmen separation cost	32	2,325.24	-
9	**Profit before tax (7- 8)**		**5,979.08**	**7,560.37**
10	**Income tax expense**			
	(a) Current tax expense	33.a	1,287.52	1,732.72
	(b) Deferred tax	33.a	(91.01)	511.76
	Total tax expense(a+b)		**1,196.51**	**2,244.48**
11	**Profit for the year (9 - 10)**		**4,782.57**	**5,315.89**
12	**Other comprehensive income**			
	i) Items that will not be reclassified to profit or loss			
	a) Remeasurement loss on defined benefit plans	16.6	160.76	25.45
	b) Income tax related to above	16.6	(34.64)	(5.43)
	ii) Items that will be reclassified to profit or loss			
	a) Effective portion of (loss) / gain on designated portion of hedging instrument in cash flow hedge		-	(29.98)
	b) Income tax related to above		-	10.37
	iii) Exchange differences in translating the financial statements of foreign operations	16.4	18.44	6.15
	Total other comprehensive income		**144.56**	**6.56**
13	**Total comprehensive income for the year (11 + 12)**		**4,927.13**	**5,322.45**
	Profit for the year attributable to:			
	- Owners of the Company		4,782.57	5,315.89
	- Non-contolling interest		-	-
			4,782.57	**5,315.89**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		144.56	6.56
	- Non-controlling interest		-	-
			144.56	**6.56**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		4,927.13	5,322.45
	- Non-controlling interest		-	-
			4,927.13	**5,322.45**
14	**Earnings Per Share - of ₹ 5/- each**			
	(a) Basic	34.8.a	6.58	7.31
	(b) Diluted	34.8.b	6.58	7.31
	See accompanying notes forming part of the consolidated financial statements			

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Consolidated Statement of Cash Flow

for the year ended March 31, 2019

₹ Lakhs

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A. Cash flow from operating activities				
Profit before exceptional items and tax		8,304.32		7,560.37
Adjustments for:				
Depreciation and amortisation expenses	2,183.69		1,924.29	
Amortisation of lease payment as rent	31.50		31.50	
Profit on sale of property, plant and equipment	(657.44)		(556.68)	
Finance costs	5,476.88		2,930.49	
Interest income	(2,873.71)		(1,320.67)	
Allowance for bad and doubtful trade receivable	95.92		158.92	
Provision for indirect taxes	3.58		186.73	
Provisions/Liabilities no longer required written back	-		(95.64)	
Ind AS 115 Adjustment	(295.41)		-	
Share of loss in Associate	87.47		-	
Loss on fair valuation of investment through profit and loss	0.03		0.01	
Net unrealised foreign exchange (gain)/loss	(64.99)	3,987.52	18.76	3,277.71
Operating profit before working capital changes		**12,291.84**		**10,838.08**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	4,730.79		(1,567.39)	
Trade receivables	(1,643.43)		(3,835.38)	
Loans (current and non-current)	34.11		7.25	
Other assets (current and non-current)	(3.60)		(3,003.57)	
Other financial assets (current and non-current)	(129.91)		(4,156.70)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(4,717.49)		8,721.76	
Other financial liabilities (current and non-current)	1,656.39		162.26	
Other liabilities (current and non-current)	(1,771.11)		3,283.63	
Provisions (current and non-current)	478.68	(1,365.57)	(48.51)	(436.65)
Cash generated from operations (before exceptional items)		**10,926.27**		**10,401.43**
Workmen separation cost (Refer note 32)		(2,325.24)		-
Cash generated from operations (after exceptional item)		**8,601.03**		**10,401.43**
Income taxes paid		(1,593.48)		(2,322.14)
Net cash generated from operating activities (A)		**7,007.55**		**8,079.29**
B. Cash flow from investing activities				
Purchase of property, plant and equipments and intangible assets, including capital advances	(8,371.62)		(4,159.12)	
Proceeds from sale of property, plant and equipment	968.11		905.32	
Advance received against Chennai land sale agreement	5,000.00		-	
Investment in Associate	(750.00)		-	
Loan given to others	(46,252.00)		(15,800.00)	
Loan realised from others	34,072.00		8,200.00	
Interest received	870.98	(14,462.53)	875.35	(9,978.45)
Net cash used in investing activities (B)		**(14,462.53)**		**(9,978.45)**

Consolidated Statement of Cash Flow

for the year ended March 31, 2019

₹ Lakhs

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
C. Cash flow from financing activities				
Proceeds from non-current borrowings	22,500.00		4,820.89	
Repayment of non-current borrowings	(6,688.10)		(2,885.45)	
Decrease in working capital borrowings	131.55		(2,705.87)	
Proceeds from other current borrowings	52,150.00		70,000.00	
Repayment of other current borrowings	(45,500.00)		(70,000.00)	
Finance cost	(5,604.63)		(2,926.80)	
Dividends paid	(1,090.31)		-	
Tax on dividend	(224.12)	15,674.39	-	(3,697.23)
Net cash flow from/ (cash used) in financing activities (C)		**15,674.39**		**(3,697.23)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**8,219.41**		**(5,596.39)**
Cash and cash equivalents at the beginning of the year		(9,357.31)		(3,759.07)
Effect of exchange differences on restatement of foreign currency cash and cash equivalents		5.63		(1.85)
Cash and cash equivalents at the end of the year		**(1,132.27)**		**(9,357.31)**

Reconciliation of cash and cash equivalents as per the Consolidated Statement of Cash Flow

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Cash and cash equivalents		
(a) Cash in hand	12.77	12.24
(b) Balances with banks		
- In current accounts	656.84	484.59
Total - Cash and cash equivalents (Refer Note 13 A)	**669.61**	**496.83**
B. Bank overdraft and cash credit (Refer Note 21)	**(1,801.88)**	**(9,854.14)**
C. Cash and cash equivalents as per statement of cash flows (A+B)	**(1,132.27)**	**(9,357.31)**
See accompanying notes forming part of the consolidated financial statements		

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Rajib Chatterjee
Partner
Membership Number 057134

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Consolidated statement of changes in equity

for the year ended March 31, 2019

A. EQUITY SHARE CAPITAL

₹ Lakhs

Particulars	Total
Balance as at April 1, 2017	**3,634.36**
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**3,634.36**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**3,634.36**

B. OTHER EQUITY

₹ Lakhs

	Reserves and Surplus						Items of other comprehensive income	
Particulars	**Securities premium reserve**	**Capital reserve**	**Foreign currency translation reserve**	**Development allowance reserve**	**Amalgamantion reserve**	**Retained earnings**	**Effective portion of cash flow hedge/ remeasurement gain on defined benefit plans**	**Total**
Balance as at April 1, 2017	**16,412.11**	**12,356.60**	**29.25**	**3.50**	**300.42**	**(3,805.66)**	**19.61**	**25,315.83**
Profit for the year	-	-		-	-	5,315.89	-	5,315.89
Adjustment of Foreign currency monetary transaltion difference account	-	-	-	-	-	(0.04)	-	(0.04)
Other comprehensive income for the year, net of income tax	-	-	6.15	-	-	-	0.41	6.56
Total comprehensive income for the year	**-**	**-**	**6.15**	**-**	**-**	**5,315.85**	**0.41**	**5,322.41**
Balance as at March 31, 2018	**16,412.11**	**12,356.60**	**35.40**	**3.50**	**300.42**	**1,510.19**	**20.02**	**30,638.24**
Profit for the year	-	-	-	-	-	4,782.57	-	4,782.57
Ind AS 115 adjustment (Refer Note 34.4)						(295.41)		(295.41)
Other comprehensive income for the year, net of income tax	-	-	18.44	-	-	-	126.12	144.56
Total comprehensive income for the year	**-**	**-**	**18.44**	**-**	**-**	**4,487.16**	**126.12**	**4,631.72**
Payment of final dividend	-	-	-	-	-	(1,090.31)	-	(1,090.31)
Payment of Dividend Distribution tax on above	-	-	-	-	-	(224.12)	-	(224.12)
Balance as at March 31, 2019	**16,412.11**	**12,356.60**	**53.84**	**3.50**	**300.42**	**4,682.92**	**146.14**	**33,955.53**
See accompanying notes forming part of the consolidated financial statements								

This is the Consolidated Statement of changes in equity referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Notes forming part of the financial statements

Note	Particulars

1 CORPORATE INFORMATION

Eveready Industries India Limited ("the Company") and its subsidiaries (collectively referred to as "the Group") is in the business of manufacture and marketing of batteries, flashlights and packet tea under the brand name of "Eveready". The Group also distributes a wide range of electrical products and small home appliances. The Group has also entered into confectionery business through launch of fruit jellies under the brand name "Jollies". The Group is a Public Limited Company incorporated and domiciled in India with its registered office at 1, Middleton Street, Kolkata 700071. Eveready has its manufacturing facilities at Lucknow, Noida, Haridwar, Maddur, Kolkata and Goalpara (Assam) and is supported by a sales and distribution network across the country.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for the following:

(i) certain financial instruments that are measured at fair value

(ii) assets held for sale-measured at lower of carrying amount and fair value less cost to sell and

(iii) defined benefit plans- plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group has adopted the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

a) Ind AS 115- Revenue from Contracts with Customers

b) Appendix B, Foreign Currency transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange rates

2.3 Use of estimates and judgement

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates have been used in provision for warranties, provision for employee benefits, allowance for expected credit loss on financial assets and useful lives of property, plant and equipment.

2.4 Revenue recognition

Effective April 1, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers", using the modified retrospective approach which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 was insignificant on the financial statements of the Group.

Notes forming part of the financial statements

Note	Particulars

Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognised when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognised depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods and services.

Sale of goods

The Company manufactures and markets batteries, flashlights and packet tea under the brand name of "Eveready". The Company also distributes a wide range of electrical products and small home appliances. The Company has also entered into confectionery business through launch of fruit jellies under the brand name "Jollies". Revenue from sale of goods is recognised when control of the products has transferred, being when the products are despatched to the customers and the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. A receivable is recognised when the goods are despatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue includes excise duty but exclude sales tax and value added tax upto the period ended June 30, 2017. The Government of India introduced Goods and Service Tax (GST) with effect from July 1, 2017 which subsumed Excise Duty and other indirect taxes. Consequently, revenue for the period post July 1, 2017 excludes GST.

Unfulfilled Performance Obligations

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. The management estimates the stand-alone selling price per unit on the basis of providing cost of such benefit. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidents. To the extent these benefits are not settled/ disbursed till the end of a reporting period these are recorded. Contract liability is recognised until the benefit is provided which is expected to be less than 12 months.

Interest income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

2.5 Foreign currency transactions and translations

The functional currency of the Group is Indian rupee (₹).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss. Effective April 1, 2018 the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense, income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Foreign operations: The exchange differences relating to foreign operations are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

2.6 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

2.7 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidy will be received.

Notes forming part of the financial statements

Note	Particulars

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.8 Employee benefits

2.8.1 Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current (creditors for accrued wages and salaries) in Balance Sheet.

2.8.2 Post - employment benefits

Defined Benefit Plans:

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at year end by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Items of Other Comprehensive Income' in the Statement of Changes in Equity. Changes in the present value of the defined benefit obligations resulting from plan ammendments or curtailments are recognisied immediately in profit or loss as past service cost.

Defined Contribution Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

2.8.3 Other long-term employee benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually at year end by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.9 Income tax

2.9.1 Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Notes forming part of the financial statements

Note **Particulars**

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Factory building - 25 years

Plant and equipment (other than moulds-3 shifts) - 20 years

Plant and equipment (other than moulds-2 shifts) - 26.67 years

Plant and equipment (other than moulds-1 shift) - 40 years

Moulds - 3 years

Vehicles - 3 years

Leasehold land is amortised over the duration of the lease.

Freehold land is not depreciated, except for improvements to the land included therein.

The estimated useful lives of the assets, residual values and depreciation method are reviewed regularly and are revised, whenever necessary.

Capital work-in-progress

Projects under which assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal/retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising thereon (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.12 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Notes forming part of the financial statements

Note	Particulars

Intangible assets under development

Expenditure on research and development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Consolidated Statement of Profit and Loss when the asset is derecognised.

Useful lives of intangible assets

Patent and trademark are amortised over their legal term or working life, whichever is shorter.

Computer software is amortised over the life of the software license ranging from one year to six years

2.13 Impairment of tangible and intangible assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. However, the following intangible assets are tested for impairment in each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.14 Inventories

Inventories of raw materials and stores and spare parts are valued at the lower of weighted average cost and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Work-in-progress and finished goods are valued at lower of cost and net realisable value where cost is worked out on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges alongwith appropriate proportion of overheads and, where applicable, excise duty.

Net realizable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

2.15 Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events 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 (excluding retirement benefits) are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Warranties

Provisions for service warranties and returns are recognised when the Group has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

2.16 Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes forming part of the financial statements

Note **Particulars**

Bank overdraft and cash credit are also considered as part of Cash and cash equivalents for the purpose of consolidated statement of cash flows.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.19 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Consolidated Statement of Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

2.19.1 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

(i) those measured at amortised cost and

(ii) those to be measured subsequently at fair value through profit and loss.

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss where it is not measured at amortised cost.

c. Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

d. Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

Notes forming part of the financial statements

Note **Particulars**

2.19.2 Financial liabilities and equity

Classification

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a fianncial liability and an equity instrument.

a. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

b. Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

c. Derecognition of financial liabilities

The Group derecognises financial liabilities only when the Group's obligations are discharged, cancelled or they expire.

d. Hedge instruments

The Group uses hedge instruments that are governed by the policies of the Group which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Group.

The Group uses certain forward foreign exchange contracts as hedge instruments in respect of foreign exchange fluctuation risk. These hedge contracts do not generally extend beyond 6 months.

These hedges are accounted for and measured at fair value from the date the hedge contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts are marked to market at the end of each reporting period.

The Group also uses certain future and option contracts as hedge instruments in respect of commodity price fluctuation risk. These hedge instruments are accounted for as cash flow hedges.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges are recognised immediately in the Consolidated Statement of Profit and Loss.

The effective portion of change in the fair value of the designated hedge instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedge reserve as a separate component of equity. Such amounts are reclassified into the Consolidated Statement of Profit and Loss when the related hedged items affect profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in profit or loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Consolidated Statement of Profit and Loss.

2.20 Principles of Consolidation and equity accounting

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries drawn upto the same reporting date as that of the Group i.e. March 31,2019. Control is achieved when the Company has power over the investee, is exposed or has right to variable return from its investment with the investee and has the ability to use its power to affect its returns.

Notes forming part of the financial statements

Note **Particulars**

Consolidation of subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains controls until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost

All intragroup assets and liabilities, equity, income, expense, and cashflows relating to transactions between members of the Group are eliminated in full on consolidation.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the Group	Ownership in % either directly or through Subsidiaries	Country of Incorporation
Everspark Hong Kong Private Limited	100%	Hong Kong
Greendale India Limited (formerly known as Litez India Limited)	100%	India

Following associate companies have been considered in the preparation of the consolidated financial statements:

Name of the associate companies	Ownership in % either directly or through Subsidiaries	Country of Incorporation
Preferred Consumer Products Private Limited	30%	India

2.21 Recent accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time, a financial liability representing the future obligation will be recognised.

Ind AS 116 will be effective from April 1, 2019. The Company is currently assessing the impact of the new standard and expects material impact to the assets and liabilities recognised in the consolidated financial statements as well as the statement of Profit and Loss.

Notes forming part of the financial statements

Note	Particulars

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of :		
Freehold land	6,036.55	6,840.68
Buildings	11,406.72	11,992.53
Plant and equipment	14,711.55	15,308.94
Furniture and fixture	473.52	515.44
Vehicles	108.52	166.69
Office equipment	474.65	596.55
Sub-total	**33,211.51**	**35,420.83**
Capital work-in-progress	474.25	276.87
Total	**33,685.76**	**35,697.70**

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixture	Vehicles	Office equipment	Total	Capital work-in-progress
Cost								
Balance as at April 1, 2017	**7,171.52**	**11,061.18**	**16,449.57**	**470.02**	**205.78**	**425.14**	**35,783.21**	**318.32**
Additions	-	2,208.99	1,483.26	212.97	132.35	449.32	4,486.89	4,563.29
Disposals/ Transfer	(279.65)	(25.46)	(3.52)	(39.08)	(0.37)	(1.81)	(349.89)	(4,604.74)
Balance as at March 31, 2018	**6,891.87**	**13,244.71**	**17,929.31**	**643.91**	**337.76**	**872.65**	**39,920.21**	**276.87**
Additions	-	374.50	518.41	32.68	14.35	48.63	988.57	1,112.51
Disposals/ Transfer	(221.51)	-	(80.45)	(3.23)	(7.58)	(0.37)	(313.14)	(915.13)
Transferred to Asset classified as held for sale	(571.91)	(334.27)	-	-	-	-	(906.18)	-
Balance as at March 31, 2019	**6,098.45**	**13,284.94**	**18,367.27**	**673.36**	**344.53**	**920.91**	**39,689.46**	**474.25**
Accumulated depreciation								
Balance as at April 1, 2017	**34.13**	**693.77**	**1,582.01**	**76.15**	**102.94**	**173.12**	**2,662.12**	**-**
Elimination on disposals	-	(0.49)	(0.03)	(0.45)	-	(0.27)	(1.24)	-
Depreciation expense	17.06	558.90	1,038.39	52.77	68.13	103.25	1,838.50	-
Balance as at March 31, 2018	**51.19**	**1,252.18**	**2,620.37**	**128.47**	**171.07**	**276.10**	**4,499.38**	**-**
Elimination on disposals	-	-	(2.06)	(0.42)	-	-	(2.47)	-
Depreciation expense	10.71	637.60	1,037.40	71.79	64.94	170.16	1,992.59	-
Transferred to Asset classified as held for sale	-	(11.56)	-	-	-	-	(11.56)	-
Balance as at March 31, 2019	**61.90**	**1,878.22**	**3,655.71**	**199.84**	**236.01**	**446.26**	**6,477.94**	**-**
Carrying amount								
Balance as at April 1, 2017	**7,137.39**	**10,367.41**	**14,867.56**	**393.87**	**102.84**	**252.02**	**33,121.09**	**318.32**
Additions	-	2,208.99	1,483.26	212.97	132.35	449.32	4,486.89	4,563.29
Disposals/ Transfer	(279.65)	(24.97)	(3.49)	(38.63)	(0.37)	(1.54)	(348.65)	(4,604.74)
Depreciation expense	(17.06)	(558.90)	(1,038.39)	(52.77)	(68.13)	(103.25)	(1,838.50)	-
Balance as at March 31, 2018	**6,840.68**	**11,992.53**	**15,308.94**	**515.44**	**166.69**	**596.55**	**35,420.83**	**276.87**
Additions	-	374.50	518.41	32.68	14.35	48.63	988.57	1,112.51
Disposals/ Transfer	(221.51)	-	(78.40)	(2.81)	(7.58)	(0.37)	(310.67)	(915.13)
Depreciation expense	(10.71)	(637.60)	(1,037.40)	(71.79)	(64.94)	(170.16)	(1,992.60)	-
Transferred to Asset classified as held for sale (Refer Note 14)	(571.91)	(322.71)	-	-	-	-	(894.62)	-
Balance as at March 31, 2019	**6,036.55**	**11,406.72**	**14,711.55**	**473.52**	**108.52**	**474.65**	**33,211.51**	**474.25**

Notes forming part of the financial statements

Note **Particulars**

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS (CONTD.)

Property, plant and equipment pledged as security

Freehold land and buildings with a carrying amount of ₹ 9,080.35 Lakhs (as at March 31, 2018: ₹ 9,529.05 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 17 and 21). Plant and equipments, furniture and fixtures, vehicles and office equipments with a carrying amount of ₹ 10,284.43 Lakhs (as at March 31,2018: ₹ 10,362.96 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 17 and 21).

Freehold land and building includes a carrying value of ₹ 92.05 Lakhs (as at March 31,2018: ₹ 92.05 Lakhs) and ₹ 387.35 lakhs (as at March 31, 2018: ₹ 447.06 Lakhs) respectively located at Maddur which is in the name of the erstwhile Company which was merged with the Company under Section 391 to 394 of the Companies Act,1956 in terms of the approval of the Honourable High Court(s) of judicature.

4. INVESTMENT PROPERTY

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Investment property		
Freehold land	2.73	2.73
Buildings	2.91	2.91
Total	**5.64**	**5.64**

₹ Lakhs

Particulars	Freehold land	Buildings	Total
Cost			
Balance as at April 1, 2017	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**2.73**	**2.91**	**5.64**
Accumulated depreciation			
Balance as at April 1, 2017	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**-**	**-**	**-**
Carrying amount			
Balance as at April 1, 2017	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**2.73**	**2.91**	**5.64**

Fair value of the Group's investment property

The Group has identified its unused freehold land and building at Plot No. 8, Industrial Park, Moula-Ali, Hyderabad, as investment property.The fair value of the property has been derived using the market comparable rate of the surrounding area as at March 31, 2019 and March 31, 2018 on the basis of a valuation carried out as on the respective dates by an independent valuer not related to the Group. The independent valuer is Government registered valuer and have appropriate qualifications and experience in the valuation of properties.

Notes forming part of the financial statements

Note	Particulars

4. INVESTMENT PROPERTY (CONTD.)

Details of the Group's investment property and information about the fair value hierarchy as at March 31, 2019 and March 31, 2018 are as follows:

₹ Lakhs

Particulars	Fair value As at March 31, 2019	Fair value As at March 31, 2018	Fair value hierarchy (Levels)
Industrial unit located in India, Hyderabad			
- Freehold land and building including compounded wall	10,525.95	10,525.95	Level 3
Total	**10,525.95**	**10,525.95**	

5. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of :		
Computer software	1,044.66	317.06
Purchased brand	*	*
Patent / Trademark	*	*
Sub-total	**1,044.66**	**317.06**
Intangible assets under development	-	6.55
Total	**1,044.66**	**323.61**

₹ Lakhs

Particulars	Computer software	Purchased brand	Patent/ Trademark	Total Intangible assets	Intangible assets under development
Cost					
Balance as at April 1, 2017	**506.64**	*	*	**506.64**	**321.66**
Additions	113.80	-	-	113.80	-
Disposals/ Transfer	-	-	-	-	(315.11)
Balance as at March 31,2018	**620.44**	*	*	**620.44**	**6.55**
Additions	918.69	-	-	918.69	1,038.11
Disposals/ Transfer	-	-	-	-	(1,044.66)
Balance as at March 31,2019	**1,539.13**	*	*	**1,539.13**	**-**
Accumulated depreciation and impairment					
Balance as at April 1, 2017	**217.59**	**-**	**-**	**217.59**	**-**
Amortisation expense	85.79	-	-	85.79	-
Elimination on disposals	-	-	-	-	-
Balance as at March 31,2018	**303.38**	**-**	**-**	**303.38**	**-**
Amortisation expense	191.09	-	-	191.09	-
Elimination on disposals	-	-	-	-	-
Balance as at March 31,2019	**494.47**	**-**	**-**	**494.47**	**-**
Carrying amount					
Balance as at April 1, 2017	**289.05**	*	*	**289.05**	**321.66**
Additions	113.80	-	-	113.80	-
Disposals/ Transfer	-	-	-	0.00	(315.11)
Amortisation expense	(85.79)	-	-	(85.79)	-

Notes forming part of the financial statements

Note	Particulars

5. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT (CONTD.)

₹ Lakhs

Particulars	Computer software	Purchased brand	Patent/ Trademark	Total Intangible assets	Intangible assets under development
Balance as at March 31, 2018	**317.06**	*	*	**317.06**	**6.55**
Additions	918.69	-	-	918.69	1,038.11
Disposals/ Transfer	0.00	-	-	0.00	(1,044.66)
Amortisation expense	(191.09)	-	-	(191.09)	-
Balance as at March 31,2019	**1,044.66**	*	*	**1,044.66**	**-**

* Below rounding off norms of the Company

6. NON-CURRENT INVESTMENTS

₹ Lakhs

Particulars	As at March 31, 2019			As at March 31, 2018		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investment in equity instruments						
(i) Investment in Associate (at cost)	-	662.53	662.53	-	-	-
- Preferred Consumer Products Private Limited						
750,000 equity shares of ₹ 10 each						
(As at March 31, 2018: Nil)						
(ii) Investment in others- McLeod Russel India Ltd (at fair value through profit and loss)						
40 equity shares of ₹ 5 each	0.03	-	0.03	0.06	-	0.06
(As at March 31, 2018: 40 equity shares of ₹ 5 each)						
Total	**0.03**	**662.53**	**662.56**	**0.06**	**-**	**0.06**
Aggregate carrying value of quoted investments	-	-	*	-	-	*
Aggregate market value of quoted investments	-	-	0.03	-	-	0.06
Aggregate carrying value of unquoted investments	-	-	662.53	-	-	-
Aggregate amount of impairment in value of investment	-	-	-	-	-	-

* Below rounding off norms of the Company

7. LOANS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
At amortised cost				
(a) Loans to employees				
Unsecured, considered good	113.19	52.19	127.52	71.97
(b) Loans to others				
Unsecured, considered good	-	22,916.42	-	8,733.69
Total	**113.19**	**22,968.61**	**127.52**	**8,805.66**

Loans amounting to ₹ 22,968.61 Lakhs (as at March 31,2018: ₹ 8,805.66 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 21).

Notes forming part of the financial statements

Note	Particulars

8. OTHER FINANCIAL ASSETS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
At amortised cost				
(a) Security deposits				
Unsecured, considered good	627.75	2,024.91	731.75	103.58
(b) Others Claims (includes fiscal benefit receivable for Assam plant, receivable from supplier,etc)				
Unsecured, considered good	48.91	2,619.08	43.78	4,311.63
Total	**676.66**	**4,643.99**	**775.53**	**4,415.21**

Other financial assets amounting to ₹ 4,643.99 Lakhs (as at March 31,2018: ₹ 4,415.21 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 21).

9. NON-CURRENT TAX ASSETS (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax [net of income-tax payable ₹ 4,060.85 Lakhs] (As at March 31, 2018 ₹ 2,704.79 Lakhs)	944.37	707.10
Total	**944.37**	**707.10**

10. OTHER ASSETS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Unsecured, considered good unless otherwise stated				
(i) Prepaid expenses	1,180.78	353.87	1,212.28	353.75
(ii) Employee benefit assets				
(a) Gratuity fund (Refer note 34.5)	900.89	-	918.82	-
(b) Pension fund (Refer note 34.5)	67.38	-	274.79	-
(iii) Capital advances	6,270.17	-	158.13	-
(iv) CENVAT / VAT/ Service tax / GST recoverable	216.78	3,860.27	198.93	4,827.79
(v) Deposit with port authority	-	122.72	-	306.91
(vi) Other loans and advances				
(a) Advance for supplies and services	-	2,414.83	-	1,052.62
(b) Advance to related party		5.35		
(c) Others (including travel advance, etc.)	18.02	73.78	26.74	57.30
	18.02	2,493.96	26.74	1,109.92
Total	**8,654.02**	**6,830.82**	**2,789.69**	**6,598.37**

Other assets amounting to ₹ 3,746.55 Lakhs (net of GST liability ₹ 3,084.27 Lakhs) (as at March 31,2018: ₹ 3,150.39 Lakhs, net of GST liability ₹ 3,447.98 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

Notes forming part of the financial statements

Note **Particulars**

11. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Raw materials	7,487.93	7,722.23
Goods-in-transit	1,081.48	1,270.55
	8,569.41	**8,992.78**
(b) Work-in-progress	3,824.16	4,499.49
(c) Finished goods (other than those acquired for trading)	5,509.88	7,084.84
(d) Stock-in-trade (acquired for trading)	6,730.20	8,755.75
(e) Stores and spares	646.48	678.06
Total	**25,280.13**	**30,010.92**

The cost of inventories recognised as an expense includes ₹ 134.62 Lakhs (for the year ended March 31, 2018 ₹ 469.33 Lakhs) in respect of write-down of inventory on account of obsolecence/adjustments. There has also been reversals of write-down by ₹ 143.71 Lakhs (for the year ended March 31,2018 ₹ 0.73 Lakhs)

The mode of valuation of Inventories has been stated in Note 2.14.
Inventories amounting to ₹ 25,280.13 Lakhs (as at March 31,2018: ₹ 30,010.92 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 21).

12. TRADE RECEIVABLES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables		
Unsecured, considered good	13,604.33	12,060.57
Doubtful	605.43	509.51
	14,209.76	**12,570.08**
Less: Allowance for doubtful trade receivables (expected credit loss allowance) - Refer note (i) below	605.43	509.51
Total	**13,604.33**	**12,060.57**

The average credit period on sale of goods is 24 days. No element of financing is deemed present and the sales are generally made with an average credit term of 24 days, which is consistent with market practice. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the cutomer exceeds 1 year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Customers seeking appointment to dealership are approved by the Regional Head of Sales for a channel after completing the Customer Business Data Form, alongwith all necessary documents. New customers are usually on advance payment terms for three months. Customers seeking supply on credit after the stipulated period are extended the facility after evaluation by the Regional Head of Sales for the channel alongwith the Regional Commercial Manager. Sufficient proof of solvency has to be provided by the customer seeking credit. The credit limits are reviewed once every year in April.

₹ Lakhs

Debtors ageing	As at March 31, 2019	As at March 31, 2018
Within the credit period	7,008.76	7,709.05
1-30 days past due	1,805.93	2,589.19
31-60 days past due	3,766.03	1,076.59
61-90 days past due	319.78	519.07
More than 90 days past due	1,309.26	676.18
Total	**14,209.76**	**12,570.08**

Notes forming part of the financial statements

Note	Particulars

(i) The Group's maximum exposure to credit risk with respect to customers as at March 31, 2019 ₹ 605.43 lakhs (as at March 31, 2018: ₹ 509.51 lakhs), which is the fair value of trade receivables less impairment loss as shown below. There is no concentration of credit risk with respect to any particular customer.

Trade receivables amounting to ₹ 10,529.80 Lakhs (as at March 31,2018: ₹ 12,060.57 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 21).

Movement in the allowances for doubtful trade receivables (expected credit loss allowance)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	509.51	350.59
Movement in expected credit loss allowance on trade receivables	95.92	158.92
Balance at end of the year	**605.43**	**509.51**

13. CASH AND CASH EQUIVALENTS AND OTHER BALANCES WITH BANKS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Cash and cash equivalents		
(a) Cash in hand	12.77	12.24
(b) Balances with banks		
- In current accounts	656.84	484.59
Total (A)	**669.61**	**496.83**
B. Other balances with banks		
(a) In earmarked accounts		
(i) Unpaid dividend accounts	42.89	36.16
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	8.10	20.74
(b) Deposit accounts with maturity of more than three months	2.97	2.91
Total (B)	**53.96**	**59.81**
Total cash and bank balances (A+B)	**723.57**	**556.64**

Cash and bank balances amounting to ₹ 520.21 Lakhs (as at March 31,2018: ₹ 407.78 Lakhs) have been pledged to secure borrowings of the Group (Refer Note 21).

14. ASSET CLASSIFIED AS HELD FOR SALE

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Land	571.91	-
Building	322.71	-
Total	**894.62**	**-**

The Company entered into an Agreement for Sale on December 5, 2018 with M/s Alwarpet Properties Pvt. Ltd., for sale of its land situated at Tiruvottiyur, Chennai for a consideration of ₹ 10,000 Lakhs. out of which an amount of ₹ 5,000 Lakhs has been received during the year (Refer Note 23).

Land and building classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

Notes forming part of the financial statements

Note **Particulars**

15. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs
(a) Authorised				
Equity shares of ₹ 5 each with voting rights	21,15,60,000	10,578.00	21,15,60,000	10,578.00
(b) Issued				
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36
(c) Subscribed and fully paid up				
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36
Total	**7,26,87,260**	**3,634.36**	**7,26,87,260**	**3,634.36**

Refer Notes (i), (ii) and (iii) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Additions during the year	Deletions during the year	Closing balance
Equity shares with voting rights				
Year ended March 31, 2019				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36
Year ended March 31, 2018				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36

(ii) Terms / rights attached to Equity shares:

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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 shall be according to the members right and interest in the Company.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Williamson Magor & Co Ltd.	1,70,30,741	23.43%	1,70,07,841	23.40%
Williamson Financial Services Ltd.	63,90,988	8.79%	63,70,988	8.76%
Bishnauth Investments Limited	41,48,246	5.71%	41,48,246	5.71%
DSP Blackrock Micro Cap Fund	1,27,174	0.17%	46,32,608	6.20%
Franklin Templeton Investment Funds	47,71,914	6.57%	34,09,258	4.69%
Amansa Holdings Private Limited	27,96,887	3.85%	40,00,000	5.55%

Notes forming part of the financial statements

Note **Particulars**

16. OTHER EQUITY

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve	12,356.60	12,356.60
Securities premium reserve	16,412.11	16,412.11
Development allowance reserve	3.50	3.50
Foreign currency translation reserve	53.84	35.40
Amalgamation reserve	300.42	300.42
Retained earnings and other comprehensive income	4,829.06	1,530.21
Total	**33,955.53**	**30,638.24**

16.1 Capital reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	12,356.60	12,356.60
Movement during the year	-	-
Balance at end of year	**12,356.60**	**12,356.60**

Capital reserve represents a resource created by accumulated capital surplus and remains invested in the business not to be distributed as dividends.

16.2 Securities premium reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	16,412.11	16,412.11
Movement during the year	-	-
Balance at end of year	**16,412.11**	**16,412.11**

Securities premium reserve is used to record the premium on issue of shares. The reserve is maintained for utilisation in accordance with the provisions of the Companies Act, 2013.

16.3 Development allowance reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	3.50	3.50
Movement during the year	-	-
Balance at end of year	**3.50**	**3.50**

Development allowance reserve pertains to erstwhile McLeod Russel (India) Limited (MRIL), which was added to the equity of the Company as at April 1, 1996 consequent to the amalgation of MRIL and Faith Investments Limited with the Company.

Notes forming part of the financial statements

Note **Particulars**

16. OTHER EQUITY (CONTD.)

16.4 Foreign currency translation reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	35.40	29.25
Movement during the year	18.44	6.15
Balance at end of year	**53.84**	**35.40**

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiary are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiary.

16.5 Amalgamation reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	300.42	300.42
Movement during the year	-	-
Balance at end of year	**300.42**	**300.42**

The amalgamation reserve was created on April 1, 2007 during the amalgamation of the erstwhile Powercell Battery India Limited (PBIL) with the Company. This represents the difference between the paid up share capital of erstwhile PBIL and the value of investments of the Company in erstwhile PBIL.

16.6 Retained earnings and Other Comprehensive Income

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	1,530.21	(3,805.66)
Profit for the year attributable to owners of the Company	4,782.57	5,315.89
Ind AS 115 Adjustment	(295.41)	-
Other comprehensive income arising from remeasurement gain on defined benefit gain net of income tax	126.12	20.02
Payment of final dividend on equity shares [₹ 1.50 per share (Previous year ₹ NIL per share)]	(1,090.31)	-
Payment of dividend distribution tax on final dividend	(224.12)	-
Adjustment on account of further acquisition	-	(0.04)
Balance at end of year	**4,829.06**	**1,530.21**

Notes forming part of the financial statements

Note	Particulars

17. NON-CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Term loans- at amortised cost		
From banks (Secured)		
ICICI Bank Ltd.	3,001.96	-
HDFC Bank Ltd.	4,494.78	6,738.74
DCB Bank Ltd.	2,916.82	-
Federal bank Ltd.	1,591.12	
Indusind Bank Ltd.	1,856.23	-
RBL Bank Ltd.	6,530.93	-
Axis Bank Ltd.	599.46	1,795.13
Car loans	3.86	11.10
Total	**20,995.16**	**8,544.97**

(i) **Details of terms of repayment for the borrowings and security provided in respect of the secured borrowings:**

₹ Lakhs

Particulars	Terms of repayment and security	As at March 31, 2019	As at March 31, 2018
Term loans from banks:			
a) HDFC Bank Ltd.	Exclusive first charge on the company's movable and immovable assets situated at Mornoi Village, Goalpara District, Assam, Second pari passu charge on movable and immovable fixed assets of the Company's unit at Uttaranchal. Rate of Interest as at March 31, 2019 - 9.05% p.a, March 31, 2018 - 8.50% p.a Terms of repayment : Repayment in 48 monthly installement of INR 187.50 lakhs starting from April-18 with 24 months' moratorium period.	4,494.78	6,738.74
b) Indusind Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Kolkata, Lucknow & Haridwar Rate of Interest as at March 31, 2019 - 9.55% p.a, March 31, 2018 - Nil Terms of repayment: 16 Quarterly installments starting from October-18 of INR 62.50 lakhs for the first 4 Quarter & INR 187.50 lakhs for the subsequent 12 Quarters	1,856.23	-
c) ICICI Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Hyderabad, Chennai, Lucknow, Rainey Park, Kolkata, Rate of Interest - March 31, 2019 - 9.50% p.a,March 31, 2018- Nil Terms of repayment: 36 montly installments starting from September-18 First installment - INR 35.00 Lakhs Next 6 installments - INR 50.00 Lakhs ending on March-19 Next 11 installments - INR 135.00 Lakhs ending on February-20 Next 12 installments - INR 165.00 Lakhs ending on February-21 Rest 6 installments - INR 200.00 Lakhs	3,001.96	-
d) DCB Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Lucknow, Rainey Park, Kolkata & Haridwar Rate of Interest as at March 31, 2019- 9.79% p.a, March 31, 2018 - Nil Terms of repayment: 12 Quarterly installments starting from March-19 of INR 416.67 Lakhs with 5 months' moratorium period.	2,916.82	-

Notes forming part of the financial statements

Note **Particulars**

17. NON-CURRENT BORROWINGS (CONTD.)

₹ Lakhs

Particulars	Terms of repayment and security	As at March 31, 2019	As at March 31, 2018
e) Federal Bank Ltd.	Secured by first charge on the property of the Company situated at B1, Sector 80, Gautam Budh Nagar, Noida, UP. The charge is restricted up to INR 40 crores irrespective of the value. Rate of Interest as at March 31, 2019 - 9.35% p.a, March 31, 2018 - Nil Terms of repayment: 36 monthly installments starting from March-19 of INR 69.44 Lakhs 6 months' moratorium period.	1,591.12	-
f) RBL Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Lucknow, Rainey Park, Kolkata, Haridwar & Hyderabad Rate of Interest as at March 31, 2019- 10.00% p.a, March 31, 2018 - Nil Terms of repayment: 16 Quarterly installments starting from December-19 of INR 468.75 Lakhs 12 months' moratorium period.	6,530.93	-
g) Axis Bank	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Kolkata, Tiruvottiyur Chennai & Lucknow. Rate of Interest as at March 31, 2019 - 8.60% p.a, March 31, 2018 - 8.30% p.a Terms of repayment starting from April 2018: 30 equal monthly installments of INR 100.00 lakhs with 6 months moratorium period.	599.46	1,795.13
h) Car loans	Secured by way of hypothecation of cars financed. Terms of repayment: Various; Each repayable in 36 equated installments.	3.86	11.10
TOTAL -TERM LOANS FROM BANKS		**20,995.16**	**8,544.97**

(ii) For the current maturities of long-term borrowings, refer item B (a) in Note 18 Other financial liabilities.

(iii) Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt during the year.

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	669.61	496.83
Current Borrowings (including Interest Accrued)	(10,865.51)	(12,132.99)
Non-current Borrowings (including Current Maturities and Interest Accrued)	(30,027.50)	(14,358.33)
Net Debt	**(40,223.40)**	**(25,994.49)**

₹ Lakhs

Particulars	Cash and Cash Equivalents, including Bank Overdraft	Non-current Borrowings (including Current Maturities and Interest Accrued)	Current Borrowings (including Interest Accrued)	Total
Net Debt as at April 1, 2018	(9,357.31)	(14,358.33)	(2,278.85)	(25,994.49)
Cash flows	8,225.04	(15,811.90)	(6,769.80)	(14,356.66)
Finance cost	(1,254.92)	(3,091.89)	(1,130.07)	(5,476.88)
Finance cost paid	1,254.92	3,234.62	1,115.10	5,604.63
Net Debt as at March 31, 2019	**(1,132.27)**	**(30,027.50)**	**(9,063.62)**	**(40,223.40)**

Notes forming part of the financial statements

Note	Particulars

18. OTHER FINANCIAL LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Non-current financial liabilities		
Security deposits received	394.73	394.73
Total	**394.73**	**394.73**
B. Current financial liabilities		
(a) Current maturities of long-term debt (Refer Note 17)	8,957.16	5,722.26
(b) Interest accrued on borrowings	90.17	91.10
(c) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:		
(i) Unpaid dividends		
- Not Due	46.16	39.43
(d) Other payables		
(i) Payables on purchase of property, plant and equipment and intangible assets	166.71	328.20
(ii) Retention money	448.04	564.21
(iii) Employee benefits liability	1,651.22	-
(iv) Others (includes payable to co-operative society, accrual of audit fees, etc.)	210.11	88.77
Total	**11,569.57**	**6,833.97**

19. PROVISIONS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
(a) Provision for employee benefits:				
(i) Post-employment medical benefits (Refer note 34.5)	276.98	35.59	283.36	36.42
(ii) Compensated absences (Refer note 34.5)	302.98	78.78	357.49	72.53
	579.96	**114.37**	**640.85**	**108.95**
(b) Provision - Others:				
(i) Sales tax, excise, etc (Refer note (i) below)	-	967.75	-	964.17
(ii) Warranty provisions (Refer note (ii) below)	-	680.08	-	306.69
	-	**1,647.83**	**-**	**1,270.86**
Total	**579.96**	**1,762.20**	**640.85**	**1,379.81**

Notes forming part of the financial statements

Note **Particulars**

19. PROVISIONS (CONTD.)

Details of provisions

(i) The Group has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ Lakhs

Particulars	As at April 1, 2018	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2019
Provision for other contingencies					
Sales tax	132.54	-	-	-	132.54
Excise	503.56	52.47	-	(1.02)	555.01
Others (service tax, customs duty,etc)	328.07	10.81	-	(58.68)	280.20
Total	**964.17**	**63.28**	**-**	**(59.70)**	**967.75**

₹ Lakhs

Particulars	As at April 1, 2017	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2018
Provision for other contingencies					
Sales tax	139.05	-	-	(6.51)	132.54
Excise	376.35	186.34	-	(59.13)	503.56
Others (service tax, customs duty,etc)	352.46	0.39	-	(24.78)	328.07
Total	**867.86**	**186.73**	**-**	**(90.42)**	**964.17**

The expected time of resulting outflow is one to two years.

(ii) The provision for warranty claims represents the estimated future outflow of economic benefits that will be required to settle the Group's obligations for warranties. This has been made mainly on the basis of historical warranty trends.

₹ Lakhs

Particulars	As at April 1, 2018	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2019
Warranty provisions	306.69	1,621.03	(1,247.64)	680.08
Total	**306.69**	**1,621.03**	**(1,247.64)**	**680.08**

₹ Lakhs

Particulars	As at April 1, 2017	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2018
Warranty provisions	374.82	708.32	(776.45)	306.69
Total	**374.82**	**708.32**	**(776.45)**	**306.69**

Notes forming part of the financial statements

Note	Particulars

20. DEFERRED TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	3,064.35	2,396.07
Deferred tax liabilities	(3,550.31)	(3,018.94)
Total	**(485.96)**	**(622.87)**

₹ Lakhs

Particulars	As at April 1, 2018	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2019
A. Deferred tax assets				
Disallowance under section 40(a)(i) of the Income Tax Act, 1961	13.84	10.62	-	24.46
Allowances for doubtful debts and advances	176.34	194.33	-	370.67
Provision for compensated absences	148.82	(15.42)	-	133.40
Expenditures falling under section 43B of Income Tax Act, 1961	499.60	(29.37)	-	470.23
Mat credit entitlement	1,369.67	-	-	1,369.67
Mat credit utilised and set off against earlier years' tax provision	-	-	-	45.90
Others	187.80	462.22	-	650.02
	2,396.07	**622.38**	**-**	**3,064.35**
B. Deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment	3,018.94	531.37		3,550.31
	3,018.94	**531.37**	**-**	**3,550.31**
Net deferred tax assets / (liabilities) (A-B)	**(622.87)**	**91.01**	**-**	**(485.96)**

MAT credit entitlement amounting to ₹ 1,275.52 Lakhs as at March 31, 2019 (March 31, 2018: ₹ 1,732.72 Lakhs has not been recognised due to uncertainty surrounding availability of future taxable income against which such credit can be offset.

₹ Lakhs

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2018
A. Deferred tax assets				
Effect of recognizing derivative instruments other than designated as cash flow hedge at fair value	34.87	(34.87)	-	-
Disallowance under section 40(a)(i) of the Income Tax Act, 1961	13.84	-	-	13.84
Allowances for doubtful debts and advances	121.34	55.00	-	176.34
Provision for compensated absences	149.83	(1.01)	-	148.82
Expenditures falling under section 43B of Income Tax Act, 1961	428.68	70.92	-	499.60
Mat credit entitlement	1,369.67	0.00	-	1,369.67
Others	101.89	85.91	-	187.80
	2,220.12	**175.95**	**-**	**2,396.07**

Notes forming part of the financial statements

Note **Particulars**

₹ Lakhs

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2018
B. Deferred tax liabilities				
Cash flow hedge	10.37	-	(10.37)	-
Difference between book balance and tax balance of property, plant and equipment	2,331.23	687.71	-	3,018.94
	2,341.60	**687.71**	**(10.37)**	**3,018.94**
Net deferred tax assets / (liabilities) (A-B)	**(121.48)**	**(511.76)**	**10.37**	**(622.87)**

21. CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
From banks-Secured at amortised cost		
Bank overdraft and cash credit (Refer (i) below)	1,801.88	9,854.14
From banks-Unsecured at amortised cost		
Demand Loan	8,298.64	2,278.85
From other parties-Unsecured at amortised cost		
Demand Loan	750.00	-
Total	**10,850.52**	**12,132.99**

(i) Details of security:

₹ Lakhs

Particulars	Nature of security	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand from banks:			
Axis Bank Ltd.	Secured by first charge on the whole of the current assets of the Borrower namely, stocks of raw materials, semi finished and finished goods stores and spares, bills receivable and book debts and all other movables, both present and future and ranking pari passu with the charges created and /or to be created in favour of other banks in the consortium and first/ second charge on the property, plant and equipment of the company.	45.15	-
UCO Bank		75.34	4,573.26
United Bank of India		727.26	2,867.59
ICICI Bank Ltd.		70.41	2,413.29
HDFC Bank Ltd.		883.72	-
Total - from banks (secured)		**1,801.88**	**9,854.14**

22. TRADE PAYABLES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables:		
(i) Total outstanding dues of micro enterprises and small enterprises	181.41	104.22
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	25,830.17	30,694.59
Total	**26,011.58**	**30,798.81**

The average credit period for purchase of materials and traded products ranges from 30 to 180 days.

Notes forming part of the financial statements

Note	Particulars

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	181.41	104.22
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.33	0.70
(vi) The amount of interest due and payable for the year	2.33	0.70
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	4.64	2.31

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 on the basis of information available with the Company.

23. OTHER CURRENT LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Statutory remittances (Contributions to PF and ESIC, withholding taxes, excise duty, VAT, service tax, GST etc.)	3,218.45	3,664.83
(ii) Advances from customers	301.86	527.60
(iii) Advance received against Chennai land sale agreement	5,000.00	-
(iii) Entry tax, Sales tax payable and other taxes(including interest component)	96.14	1,557.15
(v) Ind AS 115 Deferred revenue (Refer Note 34.4)	480.32	-
(iv) Others	73.03	191.33
Total	**9,169.80**	**5,940.91**

Revenue recognised in relation to contract liability.

The following table shows how much of the revenue recognised in the current revenue period relates to carry forward contract liabilities.

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advances from customers	527.60	-

24. CURRENT TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Income-tax payable [net of advance income-tax ₹ 3,000.32 Lakhs (As at March 31, 2018 ₹ 3,000.32 Lakhs)	1,323.56	1,311.71
Total	**1,323.56**	**1,311.71**

Notes forming part of the financial statements

Note **Particulars**

25. REVENUE FROM OPERATIONS

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products-[including excise duty of NIL (for the year ended March 31, 2018 ₹ 1,888.18 Lakhs)] (Refer (i) below)	1,49,090.93	1,47,086.20
(b) Other operating revenues (Refer (ii) below)	1,573.21	439.84
	1,50,664.14	**1,47,526.04**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Sale of products comprises: **		
Manufactured goods		
Batteries	73,678.36	74,521.40
Flashlights	10,009.18	10,457.43
Packet tea	6,830.44	7,172.08
Electrical products	94.56	743.35
Total - Sale of manufactured goods	**90,612.54**	**92,894.26**
Traded goods		
Batteries	1,044.81	1,119.00
Flashlights	8,119.95	8,392.85
Electrical products	36,770.79	33,721.94
Small home appliances	13,882.20	10,912.59
Confectioneries	1,251.18	45.56
Total - Sale of traded goods	**61,068.93**	**54,191.94**
Total - Sale of products	**1,51,681.47**	**1,47,086.20**
(ii) Other operating revenues comprise:		
Sale of scrap	266.52	190.40
Fiscal Incentive for Assam plant	1,274.61	224.59
Others	32.08	24.85
Total - Other operating revenues	**1,573.21**	**439.84**

** These figures are at their respective contract prices.

A) The following table shows unsatisfied performance obligations related to schemes

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferment of revenue for unsatisfied performance obligations	480.32	-

Notes forming part of the financial statements

Note **Particulars**

B) The following table shows reconciliation of revenue recognised with contract price.

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Contract Price	**1,51,681.47**	**1,47,086.20**
Adjustments for:		
Refund Liabilities- Discount/Rebates	(2,935.17)	-
Contract Liabilities-Schemes	344.63	-
Total	**1,49,090.93**	**1,47,086.20**

26. OTHER INCOME

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income [Refer (i) below]	2,873.71	1,320.67
(b) Other non-operating income [Refer (ii) below]	657.44	652.32
Total	**3,531.15**	**1,972.99**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Interest income comprises:		
- On Bank deposits and others	13.95	16.23
- On loans and advances	2,859.76	1,259.65
- On advance payment of taxes	-	44.79
Total - Interest income	**2,873.71**	**1,320.67**
(ii) Other non-operating income comprises:		
- Profit on sale of property, plant and equipment	657.44	556.68
- Provisions/Liabilities no longer required written back	-	95.64
Total - Other non-operating income	**657.44**	**652.32**

27.A COST OF MATERIALS CONSUMED

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock	8,992.78	8,381.19
Add: Purchases	54,055.38	51,045.98
	63,048.16	**59,427.17**
Less: Closing stock	8,569.41	8,992.78
Total cost of material consumed	**54,478.75**	**50,434.39**
Material consumed comprises:		
Zinc spelter	12,054.25	13,135.32
Acetylene black	1,824.06	1,617.27

Notes forming part of the financial statements

Note **Particulars**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Brass	1,170.40	1,367.97
Manganese ore	1,545.72	1,589.58
Black tea for packet tea	4,916.95	5,429.03
Others	32,967.37	27,295.22
Total	**54,478.75**	**50,434.39**

27.B PURCHASES OF STOCK-IN-TRADE (TRADED GOODS)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Batteries	720.51	806.06
Flashlights	5,250.38	5,306.98
Electrical products	20,913.20	24,028.94
Small home appliances	10,682.06	10,540.84
Others	974.85	57.89
Total	**38,541.00**	**40,740.71**

27.C CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year:		
Finished goods	5,509.88	7,084.84
Work-in-progress	3,824.16	4,499.49
Stock-in-trade	6,730.20	8,755.75
	16,064.24	**20,340.08**
Inventories at the beginning of the year:		
Finished goods	7,084.84	9,758.88
Work-in-progress	4,499.49	3,728.04
Stock-in-trade	8,755.75	6,054.32
	20,340.08	**19,541.24**
Net (increase) / decrease	**4,275.84**	**(798.84)**

28. EMPLOYEE BENEFIT EXPENSE

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	13,521.64	14,337.11
Contributions to provident and other funds (Refer Note 34.5)	1,217.85	1,310.90
Staff welfare expenses	950.89	1,122.80
Total	**15,690.38**	**16,770.81**

Notes forming part of the financial statements

Note **Particulars**

29. FINANCE COSTS

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest expense on borrowings	5,101.67	2,694.31
(b) Net loss on foreign currency transactions and translation (considered as finance cost)	-	91.49
(c) Other borrowing costs	375.21	144.69
Total	**5,476.88**	**2,930.49**

30. DEPRECIATION AND AMORTISATION EXPENSES

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation for the year on Property, plant and equipment as per Note 3	1,992.60	1,838.50
Amortisation for the year on Intangible assets as per Note 5	191.09	85.79
Total	**2,183.69**	**1,924.29**

31. OTHER EXPENSES

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	579.81	368.07
Decrease in excise duty in inventory of finished goods	-	(661.27)
Power and fuel	1,250.87	1,346.10
Rent*	970.68	828.86
Repairs and maintenance - Buildings	311.62	283.66
Repairs and maintenance - Machinery	967.42	934.85
Repairs and maintenance - Software	438.96	293.90
Insurance	203.85	222.32
Rates and taxes	336.18	720.77
Reversal of interest component of entry tax	(739.85)	-
Travelling and conveyance	3,191.06	3,180.74
Freight, shipping and selling expenses	10,265.00	9,129.17
Advertisement, sales promotion and market research	2,840.49	6,552.96
Expenditure on Corporate Social Responsibility (Refer Note 34.9)	171.80	162.49
Payments to auditors (Refer (i) below)	73.21	66.13
Allowance for bad and doubtful trade receivables	95.92	158.92
Loss on foreign currency transactions and translation (other than considered as finance cost)	261.00	36.33
Provision for indirect taxes [Refer note 19(b)(i)]	3.58	186.73
Loss on fair valuation of investment through profit and loss	0.03	0.01
Miscellaneous expenses	3,935.33	4,237.89
Total	**25,156.96**	**28,048.63**

Notes forming part of the financial statements

Note **Particulars**

31. OTHER EXPENSES (CONTD.)

(i) Payments to auditors

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payments to the auditors comprises fees for (net of GST/Service tax input credit, where applicable):		
As auditor		
Audit fees	37.50	37.50
In other capacities		
Tax audit fees	6.00	6.00
Certification fees and others	21.10	22.43
Reimbursement of expenses	8.61	0.20
Total	**73.21**	**66.13**

(ii) Other Expenses include following expenses related to Investment property that did not generate rental income:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	0.03	0.07
Power and fuel	0.09	0.02
Repairs and maintenance - Machinery	0.01	0.18
Travelling and conveyance	0.18	0.06
Rates and taxes	31.57	3.93
Miscellaneous expenses- security service charge	17.11	17.06
Total	**48.99**	**21.32**

*The Company has taken premises (land, office, godowns etc.) on operating lease. These leasing arrangements are cancellable and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are included in Rent in other expenses.

32. EXCEPTIONAL ITEMS

Exceptional items relate to costs related to a voluntary retirement scheme for workmen (VRS), completed during the year ended March 31, 2019 for the manufacturing facility at Tiruvottiyur, Chennai.

33. INCOME TAX EXPENSE

33.a. Income tax recognised in profit and loss

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of current year	1,287.52	1,732.72
	1,287.52	**1,732.72**
Deferred tax		
In respect of current year	(91.01)	511.76
	(91.01)	**511.76**
Total	**1,196.51**	**2,244.48**

Notes forming part of the financial statements

Note	Particulars

33. INCOME TAX EXPENSE (CONTD.)

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	**5,979.08**	**7,560.37**
Income tax expense calculated at 34.944% (for the year ended March 31, 2018 :34.608%)	2,089.33	2,671.09
Difference on account of Tax Rate	(29.63)	-
Effect of income exempt from taxation (under section 80-IC of the Income Tax Act, 1961)	(2,184.03)	(1,478.73)
Effect of concessions (research and development and other allowances)	32.38	(41.53)
MAT Credit Entitlement under section 115JAA– being the difference between tax payable under MAT & normal provisions	1,275.52	888.19
Effect of expenses that are not deductible in determining taxable profit	60.03	205.46
Others	(47.09)	-
Total	**1,196.51**	**2,244.48**

33.b. Income tax recognised in other comprehensive income

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
Arising on remeasurement (gain)/loss on defined benefit plans	(34.64)	(5.43)
	(34.64)	**(5.43)**
Deferred tax		
Arising on effective portion of loss on designated portion of hedging instrument in cash flow hedge	-	10.37
	-	**10.37**
Total	**(34.64)**	**4.94**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

34.1 Contingent liabilities & commitments (to the extent not provided for)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Contingent liabilities		
(a) Penalty imposed by Competition Commission of India ("CCI") on the company and on certain officers of the Company (Refer note below #)	17,208.41	17,208.41
(b) Claims against the Company not acknowledged as debts:		
- Excise & Customs *	1,641.17	1,660.44
- Sales tax	88.27	70.65
* Excludes interest claimed in a few cases by respective authorities but amount not quantified.		
(c) Others (includes ESI, property tax, water tax etc.)	80.20	125.60

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(ii) Guarantees	32,475.03	4,135.79
(iii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Property, plant and equipment	434.88	401.38
- Intangible assets	13.45	4.95

Note:

#The Competition Commission of India ("CCI") issued an Order dated April 19, 2018, imposing penalty on certain zinc carbon dry cell battery manufacturers, concerning contravention of the Competition Act, 2002 (The Act). The penalty imposed on the Company was ₹ 17,155.0 lakhs. The Company filed an appeal and stay application before the National Company Law Appellate Tribunal, New Delhi, (NCLAT) against the CCI's said Order.Since then, the NCLAT vide its order dated May 09, 2018, has stayed the penalty with the direction of depositing 10% of the penalty amount within 15 days with the Registry of the NCLAT. The Company has complied with the said direction of the NCLAT. Meanwhile, the Company received legal advice to the effect that given the factual background and the judicial precedents, there are reasonable grounds on the basis of which the NCLAT will allow the appeal and will either adjudicate upon the quantum of penalty imposed or remand it to the CCI for de novo consideration. It may also be noted that a certain amount of penalty will be levied on the Company as it had also earlier filed an application under the Lesser Penalty Regulations under the Act. However, at this stage it is not possible to quantify or even make a reasonable estimate of the quantum of penalty that may be imposed on the Company. According to the aforesaid legal advice, the matter should be recognized as a contingent liability as defined under Ind-AS 37 and there should be no adjustment required in the financial statements of the Company in accordance with Ind-AS 10. Accordingly, pending the final disposal of the appeal, the amount has been disclosed as contingent liability in the financial statements. It may also be noted that penalty imposed in this connection on certain officers of the Company amounting ₹ 53.41 Lakhs has been included in the above.

34.2 Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013

Interest bearing (which is not lower than prevailing yield of related Government Security close to the tenure of respective loans) loans repayable on demand to Babcock Borsig Ltd, McNally Bharat Ltd, Williamson Financial Services Ltd, Seajuli Developers & Finance Ltd, and Williamson Magor & Co. Ltd. outstanding at the year end were ₹ 8,664 Lakhs, ₹ 411.87 Lakhs, ₹ 146.62 Lakhs, ₹ 13,671.48 Lakhs and ₹ 22.46 Lakhs respectively and maximum amount outstanding during the year was ₹ 8,664 Lakhs, ₹ 2,889.81 Lakhs, ₹ 4,981.95 Lakhs, ₹ 25,849.32 Lakhs and ₹ 1,408.09 Lakhsrespectively, for their business purposes. .

34.3 The Group has given inter-corporate deposits to certain companies (part of the promoter group). From time to time, these deposits were repaid by the borrowing entities to the Group on demand. However, some of these deposits amounting to ₹ 19,780 lakhs and interest outstanding thereon amounting to ₹ 3,137 lakhs are lying outstanding as at March 31, 2019. Furthermore, the Group has furnished certain corporate guarantees and post-dated cheques in favour of banks/ other parties who have provided loans to the companies (part of the promoter group), outstanding amount of these guarantees/post-dated cheques being ₹ 28,309 lakhs as at March 31, 2019. Repayment of these deposits and the guarantees/post-dated cheques given to/on behalf of these companies along with future interest have been guaranteed by certain promoter Directors of the Company, in the event of a default by the said companies to pay the dues. Furthermore, a promoter group level restructuring is under way to monetize assets to meet up the various liabilities of the companies (part of the promoter group) including the outstanding advances and any potential liability related to the guarantees/post-dated cheques, due to the Company. The management therefore believes that the outstanding dues shall be recovered and no provision is required at this stage.

34.4 Impact of new revenue standard

The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has applied modified retrospective approach in adopting the new standard and accordingly, the revenue from operations for the year ended March 31, 2019 is not comparable with the previous year. Necessary adjustments for adoption of the aforesaid standard have been made resulting in increase in profit before tax for the year ended March 31, 2019 by ₹ 118.72 Lakhs and increase in earnings per share by ₹ 0.13. Further, an amount of 295.41 Lakhs has also been adjusted retained earnings as on April 1, 2018 on account of unsatisfied performance obligations as on the date of initial application of the standard i.e April 1, 2018

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.5 Employee benefit plans

34.5.a Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity
ii. Post-employment medical benefits
iii. Pension
iv. Leave Encashment

The following table sets out the funded/unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**
Components of employer expense								
Current service cost	220.13	1.52	-	130.53	238.81	1.49	-	139.27
Interest cost	178.65	22.93	17.29	28.55	158.01	21.69	17.90	27.66
Interest income on plan assets	(250.31)	-	(26.64)	-	(230.02)	-	(37.47)	-
Past service cost	-	-	-	-	27.22	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	-	-	-	8.17	-	-	-	13.67
Actuarial losses / (gains) arising from changes in experience adjustments	-	-	-	(104.06)	-	-	-	(107.95)
Total expense / (income) recognised in the Statement of Profit and Loss	**148.47**	**24.45**	**(9.35)**	**63.19**	**194.02**	**23.18**	**(19.57)**	**72.65**
Return on Plan Assets (Excluding Interest Income)	(9.11)	-	(63.47)	-	(54.13)	-	(52.75)	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	41.04	4.05	1.64	-	93.76	(14.92)	6.15	-
Actuarial losses / (gains) arising from changes in experience adjustments	(127.13)	(0.74)	(7.03)	-	(25.09)	19.55	1.98	-
Total expense / (income) recognised in Other Comprehensive Income	**(95.20)**	**3.31**	**(68.86)**	**-**	**14.54**	**4.63**	**(44.62)**	**-**
Net asset / (liability) recognised in the Balance Sheet								
Present value of defined benefit obligation	2,330.13	312.57	242.84	381.76	2,651.29	319.78	260.28	430.02
Fair value of plan assets	3,231.02	-	310.22	-	3,570.11	-	535.07	-
Status [Surplus / (Deficit)]	900.89	(312.57)	67.38	(381.76)	918.82	(319.78)	274.79	(430.02)
Net asset / (liability) recognised in the Balance Sheet	**900.89**	**(312.57)**	**67.38**	**(381.76)**	**918.82**	**(319.78)**	**274.79**	**(430.02)**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
Change in defined benefit obligations (DBO) during the year								
Present value of DBO at beginning of the year	2,651.29	319.78	260.28	430.02	2,355.88	327.92	277.10	432.93
Current service cost	220.13	1.52	-	130.53	238.81	1.49	-	139.27
Interest cost	178.65	22.93	17.29	28.55	158.01	21.69	17.90	27.66
Past service cost	-	-	-	-	27.22	-	-	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	41.04	4.05	1.64	8.17	93.76	(14.92)	6.15	13.67
Actuarial losses / (gains) arising from changes in experience adjustments	(127.13)	(0.74)	(7.03)	(104.06)	(25.09)	19.55	1.98	(107.95)
Benefits paid	(633.85)	(34.97)	(29.34)	(111.45)	(197.30)	(35.95)	(42.85)	(75.56)
Present value of DBO at the end of the year	**2,330.13**	**312.57**	**242.84**	**381.76**	**2,651.29**	**319.78**	**260.28**	**430.02**
Change in fair value of assets during the year								
Plan assets at beginning of the year	3,570.11	-	535.07	-	3,286.02	-	625.81	-
Interest Income on plan assets	250.31	-	26.64	-	230.02	-	37.47	-
Actual company contributions	35.34	34.97	(285.62)	111.45	197.24	35.95	(138.11)	75.56
Return on Plan Assets (excluding Interest Income)	9.11	-	63.47	-	54.13	-	52.75	-
Benefits paid	(633.85)	(34.97)	(29.34)	(111.45)	(197.30)	(35.95)	(42.85)	(75.56)
Plan assets at the end of the year	**3,231.02**	**-**	**310.22**	**-**	**3,570.11**	**-**	**535.07**	**-**
Composition of the plan assets is as follows:								
Government bonds	-	NA	-	NA	-	NA	-	NA
Special Deposit with SBI	-	NA	65.35	NA	-	NA	65.35	NA
Corporate Bonds	-	NA	-	NA	-	NA	-	NA
Insurance Companies	3,226.63	NA	3,416.45	NA	3,566.32	NA	3,297.91	NA
Cash and Cash Equivalents	4.39	NA	3.98	NA	3.79	NA	10.36	NA
Actuarial assumptions								
Discount rate	7.52%	7.44%	6.82%	7.44%	7.67%	7.65%	7.04%	7.66%
Expected return on plan assets	7.67%	NA	7.04%	NA	7.00%	NA	7.00%	NA
Salary escalation	7.00%	NA	NIL	7.00%	7.00%	NA	NIL	7.00%
Withdrawal Rate : Upto 40 Years	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
Withdrawal Rate : 40 Years & above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Early Retirement & Disability 40-54 Years	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
Early Retirement & Disability 55-59 Years	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%
Mortality tables	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate
Average longeivity at retirement age for current beneficiaries of the plan (Years)								
Males	NA	NA	NA	NA	NA	NA	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA
Average longeivity at retirement age for current employees(future beneficiaries of the plan) (Years)								
Males	NA	75.9	NA	NA	NA	75.45	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA

These plans typically expose the Company to actuarial risks are as follows:

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk*	The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated.

* Not applicable for Pension fund

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Sensitivity analysis

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

₹ Lakhs

Sensitivity	Pension		Post employment medical benefits		Compensated absences		Gratuity	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
DBO at March 31 with discount rate +0.5 %	3.68	4.12	10.17	12.38	14.66	17.87	117.58	133.71
DBO at March 31 with discount rate -0.5%	(3.85)	(4.32)	(10.93)	(14.15)	(15.76)	(19.25)	(127.52)	(144.90)
DBO at March 31 with +1% salary escalation	N/A	N/A	N/A	N/A	(32.51)	(39.83)	(260.11)	(288.20)
DBO at March 31 with -1% salary escalation	N/A	N/A	N/A	N/A	28.66	34.99	227.62	260.23
DBO at March 31 with +1% benefit increase	N/A	N/A	(3.12)	(3.20)	N/A	N/A	N/A	N/A
DBO at March 31 with -1% benefit increase	N/A	N/A	3.13	3.19	N/A	N/A	N/A	N/A

Estimated Cash Flows(Undiscounted) in Subsequent years

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
1st year	292.77	35.60	62.18	81.62	307.20	36.42	103.55	75.24
Within 2 to 5 years	347.98	129.19	58.81	77.56	448.58	133.28	87.08	87.58
Within 6 to 10 years	848.39	132.92	62.31	155.00	809.70	137.79	80.02	163.59
10 years and above	4,719.10	273.01	63.73	346.74	5,616.43	288.22	66.77	360.22

Provident Fund

Contributions towards provident funds are recognised as expense for the year. The Company has set up a Provident Fund Trust which is administered by Trustees. Both the employees and the Company make monthly contributions to the Fund at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment.

The Trust invests funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under "The Employees' Provident Funds and Miscellaneous Provisions Act, 1952" and shortfall, if any, on account of interest is to be made good by the Company.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Not 29 issued by the Institute of Actuaries of India. Based on such valuation, no amount is required to be provided towards future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Principal Actuarial Assumptions	Year ended March 31, 2019	Year ended March 31, 2018
Discount Rate	7.43%	7.64%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified)	Indian Assured Lives Mortality (2006-08) (modified)
Expected Return on Fund	8.83%	8.55%

Total amount charged to the Statement of Profit and Loss for the year ended March 31, 2019 ₹ 374.65 lakhs (For the year ended March 31, 2018 ₹ 377.67 lakhs)

The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under "The Employees' Provident Funds & Miscellaneous Provisions Act, 1952" In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

Pension fund

Contribution towards Pension fund [Total amount charged to the Statement of Profit and Loss for the year ended March 31, 2019 ₹ 570.64 lakhs (For the year ended March 31, 2018 ₹ 585.85 lakhs)]

34.6 Segment information

The Group is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products, small home appliances and confectionery products which come under a single business segment known as Consumer Goods.The financial performance relating to this single business segment is evaluated regularly by the Managing Director and Chief Financial Officer (Chief Operating Decision Makers).

The company is domiciled in India. The amount of its revenue from external customers is broken down by location of the customers is shown in the table below.

₹ Lakhs

Principal Actuarial Assumptions	For the year ended March 31, 2019	For the year ended March 31, 2018
India	1,41,153.86	1,44,132.30
Other countries	7,937.07	2,953.90
Total	**1,49,090.93**	**1,47,086.20**

The company is domiciled in India. The company does not have any Non-current assets ouside India.

34.7 Related party transactions

34.7.a Details of related parties:

Description of relationship	Names of related parties
Associate	Preferred Consumer Products Private Limited
Investor Company (for which the Company is an Associate)	Williamson Magor & Company Limited
Employee Benefit Trusts	Eveready India Managerial Staff Pension Fund
	Eveready India Managerial Staff Gratuity Fund
	Eveready India Employees Gratuity Fund
	Eveready India Staff Provident Fund

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Description of relationship	Names of related parties
Key Management Personnel (KMP)	
Executive directors	Mr. Suvamoy Saha
	Mr. Amritanshu Khaitan
Non-executive directors	Mr. Brij Mohan Khaitan
	Mr. Aditya Khaitan
	Mr. Subir Ranjan Dasgupta
	Mrs. Ramani Nirula
	Mr. Ajay Kaul
	Mr. Aniruddha Roy (Effective September 17, 2018)
	Mr. Sudipto Sarkar (Till March 29, 2019)
Relatives of KMP with whom the Group had transactions during the year	Ms. Yashodhara Khaitan - Mother of Mr. Amritanshu Khaitan
	Ms. Isha Khaitan - Spouse of Mr. Amritanshu Khaitan
	Ms. Nitya Bangur - Sister of Mr. Amritanshu Khaitan
	Ms. Apurvi Khaitan - Daughter of Mr. Aditya Khaitan

34.7.b Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Associate		
(i) Preferred Consumer Products Private Limited (PCPL)		
Interest Expense	49.93	-
Reimbursement of expenses	55.65	-
Outstanding as at the year end		
Advances	5.35	-
Borrowings	750.00	-
Investor Company (for which the Company is an associate)		
(i) Williamson Magor & Co. Limited		
Interest Income	22.46	-
Rendering of services	1.55	1.05
Reimbursement of expenses	180.00	180.00
Rent paid	2.75	3.00
Outstanding as at the year end		
Trade payables/Interest receivable	22.46	30.00
Employee Benefit Trusts		
Eveready India Managerial Staff Pension Fund	56.00	183.00
Eveready India Managerial Staff Gratuity Fund	-	91.00
Eveready India Employees Gratuity Fund	-	71.00
Eveready India Staff Provident Fund	327.98	326.65
Contribution to employment benefit plans	**383.98**	**671.65**
Key Management Personnel (KMP)		
Executive Directors		

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Mr. Suvamoy Saha		
Remuneration		
Short-term benefits	265.55	264.34
Post employment benefits*	32.40	32.40
	297.95	**296.74**
(ii) Mr. Amritanshu Khaitan		
Remuneration		
Short-term benefits	366.36	357.40
Post employment benefits*	45.36	44.44
	411.72	**401.84**
Commission paid to Non-executive Directors		
Mr. Brij Mohan Khaitan	-	1.00
Mr. Aditya Khaitan	1.00	1.00
Mr. Subir Ranjan Dasgupta	1.00	1.00
Mr. Sanjiv Goenka	-	1.00
Mrs. Ramani Nirula	-	1.00
Mr. Sudipto Sarkar	-	1.00
Mr. Ajay Kaul	-	1.00
Mr. Aniruddha Roy	1.00	-
	3.00	**7.00**
Sitting fees paid to Non-Executive Directors		
Mr. Brij Mohan Khaitan	1.00	2.00
Mr. Aditya Khaitan	2.40	2.70
Mr. Subir Ranjan Dasgupta	4.30	3.80
Mr. Sanjiv Goenka	-	1.50
Mrs. Ramni Nirula	2.80	2.60
Mr. Sudipta Sarkar	1.40	2.10
Mr. Ajay Kaul	2.00	2.00
Mr. Aniruddha Roy	1.20	-
	15.10	**16.70**
Relatives of KMP with whom the Group had transactions during the year		
Rent paid		
- Ms. Yashodhara Khaitan	3.60	3.60
- Ms. Isha Khaitan	7.80	7.80
- Ms. Nitya Bangur	12.00	12.00
- Ms. Apurvi Khaitan	7.80	7.80
	31.20	**31.20**
Remuneration		
- Ms. Apurvi Khaitan	12.45	12.45

* As the liabilities for gratuity and compensated absences are provided on actuarial basis for the company as a whole, amounts pertaining to KMP are not included

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.8 Earnings per share

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
34.8.a	Basic		
	Profit for the year attributable to the owners of the Company ₹ in Lakhs	4,782.57	5,315.89
	Weighted average number of equity shares for basic EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Basic ₹	6.58	7.31
34.8.b	Diluted		
	The diluted earnings per share has been computed by dividing the profit for the year attributable to the owners of the Company divided by the weighted average number of equity shares.		
	Profit for the year attributable to the owners of the Company ₹ in Lakhs	4,782.57	5,315.89
	Weighted average number of equity shares for diluted EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Diluted ₹	6.58	7.31

34.9 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, healthcare and rural development. The expenditure incurred (Refer Note 31) during the year on these activities are as specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the Group during the year ₹ 167.06 Lakhs

(b) Amount spent during the year on:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	171.80	162.49
Total	**171.80**	**162.49**

34.10 Details of research and development expenditure recognised as an expense

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee benefit expense	303.70	304.90
Consumables	40.48	39.68
Travelling expenses	35.08	40.57
Rent	4.06	4.14
Others	144.73	149.49
Total	**528.05**	**538.78**

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11 Financial instruments

34.11.1 Capital management

The Group's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Group also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Group to contain / reduce the cost of capital.

34.11.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Debt (A)	40,802.84	26,400.22
Cash and bank balance (B)	(723.57)	(556.64)
Net debt (A-B)	**40,079.27**	**25,843.58**
Total equity before exceptional items	**39,915.13**	**34,272.60**
Net debt to equity ratio before exceptional items (%)	100.41%	75.41%
Total Equity	**37,589.89**	**34,272.60**
Net debt to equity ratio (%)	106.62%	75.41%

34.11.1.2 Dividend

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Equity shares		
Final dividend for the year ended March 31, 2018 of ₹ 1 per fully paid share	-	1,090.31
Dividend Distribution Tax on final dividend	-	224.12
(ii) Dividend not recognised at the end of the reporting period		
Since year end no dividend has been proposed.	-	-
Dividend Distribution Tax on proposed dividend	-	-

34.11.2 Categories of financial instruments

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investments designated at fair value through profit or loss (FVTPL)	0.03	0.06
Measured at amortised cost		
(a) Cash and bank balances	723.57	556.64
(b) Other financial assets at amortised cost	42,006.78	26,184.49
Financial liabilites		
Measured at amortised cost		
Financial liabilities measured at amortised cost	43,809.98	58,705.47

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11.3 Financial risk management objectives

The Group endeavours to manage the financial risks related to it's operations through specified policies, which deals with various market risks (foreign currency exchange risk, interest rate risks and commodity price risks), credit risks and liquidity risks. In order to minimize any adverse effects on the financial performance of the Group, derivative financial instruments like foreign exchange forward contracts, commodity future and option contracts, maintaning proper mix between fixed and floating rate of borrowings are undertaken to hedge the various financial risks as per guidelines set in those policies. Credit risk management is done through managing credit limits and transactions through letters of credit. Liquidity risk is managed through availability of committed credit lines and borrowing facilities.

34.11.4 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices in international markets. The Group enters into foreign exchange forward contracts and commodity futures contracts to manage it's market risks.

34.11.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within the approved policy utilising forward foreign exchange contracts as and when required depending upon market volatility.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

₹ Lakhs

Particulars	Liabilities		Assets	
	As at March 31,2019	As at March 31, 2018	As at March 31,2019	As at March 31,2018
USD	3,393.06	3,496.18	317.15	240.17
HKD	5,267.39	2,120.38	199.60	145.67

34.11.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency US Dollar, Japanese Yen and Hong Kong Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Group's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit before tax where the INR strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

₹ Lakhs

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
US Dollar:		
Impact on profit or loss for the year	153.80	162.80
Japanese Yen:		
Impact on profit or loss for the year	-	-
Hong Kong Dollar:		
Impact on profit or loss for the year	253.39	98.74

34.11.5.2 Foreign Exchange Forward Contracts

It is the policy of the Company to enter into foreign exchange forward contracts to cover foreign currency payments for known liabilities as and when required. There were no forward foreign exchange contracts outstanding at the end of the reporting period as also at the corresponding previous period

34.11.6 Interest rate risk management

The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11.6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments (Borrowings) at the end of the reporting period.For floating rate liabilities, the analysis is prepared considering average amount outstanding at the end of each month.A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's:

- profit before tax for the year ended March 31, 2019 would decrease/increase by ₹ 244.70 lakhs (for the year ended March 31, 2018: decrease/increase by ₹ 122.58 Lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings."

34.11.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterpartie as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at March 31, 2019, an amount of ₹ 30,970.12 lakhs (as at March 31, 2018: ₹ 2,509.53 lakhs) and other bank gurantees amounts to ₹ 1,504.91 lakhs as at March 31, 2019 (as at March 31, 2018: ₹ 1,626.26 lakhs) has been considered as contingent liabilities (see note 34.1). These financial guarantees have been issued to banks under the supply agreements entered into with certain vendors."

34.11.7.1 Collateral held as security and other credit enhancements

The Group does not have any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

34.11.8 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

34.11.8.1 Liquidity risk tables

a) Expected maturity for non-derivative financial liabilities

₹ Lakhs

Particulars	Less than 1 month	1-3 months	3 months to 1 year	More than 1 year	Total
March 31, 2019					
Trade payables	8,383.43	7,609.57	9,420.26	598.32	26,011.58
Other liabilities	256.27	-	614.75	394.73	1,265.75
Term borrowings	11,488.05	1,934.72	6,480.54	20,989.71	40,893.00
March 31, 2018					
Trade payables	18,905.56	2,287.00	9,606.23	-	30,798.79
Other liabilities	128.20	-	892.41	394.73	1,415.34
Term borrowings	10,375.25	3,854.23	3,716.87	8,544.97	26,491.32

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11.9 Financing facilities

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured bill acceptance facility, reviewed	**2,000.00**	**8,750.00**
-amount used	-	484.69
-amount unused	2,000.00	8,265.31
Secured bank overdraft facility :	**16,000.00**	**16,000.00**
-amount used	1,801.88	10,338.83
-amount unused	14,198.12	5,661.17
Secured letter of credit/ bank guarantee	**14,224.29**	**14,252.46**
-amount used	7,133.38	6,912.65
-amount unused	7,090.91	7,339.81
Secured bank loan facilities with various maturity dates through to March 31, 2018 and which may be extended by mutual agreement	**43,500.00**	**21,000.00**
-amount used	43,500.00	21,000.00
-amount unused	-	-

34.11.10 Fair value measurments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities

34.11.10.1 Fair value of the financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined:

Financial assets / (liabilities)

₹ Lakhs

Particulars	Fair value as at		Fair value hierarchy (Levels)	Valuation techniques and key inputs
	As at March 31,2019	As at March 31, 2018		
Investments in Equity instruments	0.03	0.06	Level 1	Quoted bid prices in an active market

Note: There are no transfers from Level 1 and Level 2 during the year end March 31, 2019.

34.11.10.2 Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Financial assets / (liabilities)

₹ Lakhs

Particulars	Fair value hierarchy (Levels)	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost :					
Loan to employees	Level 3	113.19	94.18	127.52	107.65
Total		**113.19**	**94.18**	**127.52**	**107.65**
Financial liabilities					
Financial liabilities held at amortised cost:					
Borrowings	Level 3	20,995.16	19,469.70	8,544.97	7,870.67
Total		**20,995.16**	**19,469.70**	**8,544.97**	**7,870.67**

The fair values of the financial assets and financial liabilties incuded in the level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counterparties.

34.12 Additional information as required by Paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

(a) As at and for the year ended March 31, 2019

Name of the entity in the group	Net assets, i.e. total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	₹ Lakhs	As % of consolidated profit or loss	₹ Lakhs	As % of consolidated other comprehensive income	₹ Lakhs	As % of consolidated total comprehensive income	₹ Lakhs
Eveready Industries India Limited (Parent Company)	104.06%	39,117.71	105.09%	5,026.16	100.00%	144.56	104.94%	5,170.71
Subsidiaries								
Indian								
1. Greendale India Limited (formerly known as Litez India Limited)	0.08%	28.64	(0.02%)	(1.15)	0.00%	-	(0.02%)	(1.15)
Foreign								
1. Everspark Hongkong Private Limited	(4.14%)	(1,556.46)	(3.24%)	(154.96)	0.00%	-	(3.15%)	(154.96)
Associate								
Indian								
1. Preferred Consumer Products Private Limited	-	-	(1.83%)	(87.47)	-	-	(1.78%)	(87.47)
Total	**100.00%**	**37,589.89**	**100.00%**	**4,782.57**	**100.00%**	**144.56**	**100.00%**	**4,927.13**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

(b) As at and for the year ended March 31, 2018

Name of the entity in the group	Net assets, i.e. total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	₹ Lakhs	As % of consolidated profit or loss	₹ Lakhs	As % of consolidated other comprehensive income	₹ Lakhs	As % of consolidated total comprehensive income	₹ Lakhs
Eveready Industries India Limited (Parent Company)	105.68%	36,219.92	183.88%	9,774.96	100.00%	6.56	183.78%	9,781.52
Subsidiaries								
Indian								
1. Greendale India Limited (formerly known as Litez India Limited)	0.08%	26.25	-3%	(148.36)	0.00%	-	-2.79%	(148.36)
Foreign								
1. Everspark Hongkong Private Limited	-5.76%	(1,973.58)	-81.09%	(4,310.72)	0.00%	-	-81%	(4,310.73)
Non controlling interest in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100%**	**34,272.59**	**100%**	**5,315.88**	**100%**	**6.56**	**100%**	**5,322.45**

34.13 Details of the Company's subsidiaries/associate at the end of reporting period are as follows:

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
			As at March 31,2019	As at March 31, 2018
1. Everspark Hongkong Private Limited	Engaged in raw material trading on behalf of Parent Company	Hongkong	100%	100%
2. Greendale India Limited (formerly known as Litez India Limited)	Marketing of Consumer goods	India	100%	100%

Name of Associate	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
			As at March 31,2019	As at March 31, 2018
1. Preferred Consumer Products Private Limited	Marketing of Fast moving Consumer goods	India	30%	-

34.14 Approval of consolidated financial statements

The consolidated financial statements were approved for issue by the Board of Directors on May 27, 2019.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Statement of subsidiaries

FORM AOC - I

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

PART "A": SUBSIDIARIES

₹ Lakhs

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting Period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Other Equity	Total assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
1	Everspark Hong Kong Private Limited	NA	HKD (1HKD= ₹ 8.8045)	260.61	175.07	5267.39	5267.39	-	8623.66	167.44	11.99	155.44	-	100%
2	Greendale India Limited (formerly known as Litez India Limited)	NA	NA	5.00	(170.66)	29.46	29.46	-	-	(11.18)	-	(11.18)	-	100%

PART "B": ASSOCIATES AND JOINT VENTURES:

Sr.	Name of Associates / Joint Venture		
	Preferred Consumer Products Private Limited		
1	Latest audited Balance Sheet Date		March 31, 2019
2	Shares of Associates / Joint Ventures held by the company on the year end		
	i)	Number	7,50,0000
	ii)	Amount of Investment in Associates (₹ Lakhs)	750.00
	iii)	Extend of Holding %	30%
3	Description of how there is significant influence		Associate
4	Reason why the associate / joint venture is not consolidated		Consolidated
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ Lakhs)		662.53
6	Profit / (Loss) for the year (₹ Lakhs)		(291.56)
	i)	Considered in Consolidation (₹ Lakhs)	(87.47)
	ii)	Not considered in Consolidation (₹ Lakhs)	(204.09)

For and on behalf of the Board of Directors

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary

Standalone Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

₹ Lakhs

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	1,49,314.37	1,49,314.37
	2.	Total Expenditure (including tax expense)	1,44,588.58	1,44,588.58
	3.	Net Profit/(Loss)	4,725.79	4,725.79
	4.	Earnings Per Share	6.50	6.50
	5.	Total Assets	1,17,975.59	1,17,975.59
	6.	Total Liabilities	80,306.70	80,306.70
	7.	Net Worth	37,668.89	37,668.89
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA

II. **Audit Qualification (each audit qualification separately):**

a. Details of Audit Qualification: Refer para 3 of the Independent auditor's report to the Members of the Company on the audit of the standalone financial statements, which is reproduced below-

"We draw your attention to Note 34.3 to the standalone financial statements that describes the (i) inter-corporate deposits and (ii) corporate guarantees and post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group out of which an amount of ₹ 23,079 lakhs (including interest) and ₹ 28,309 lakhs respectively are outstanding as at March 31, 2019. Further, the Company has given advance amounting to ₹ 6,200 lakhs to a company, on the basis of a memorandum of understanding (MOU) towards transfer by way of assignment, the leasehold rights of a property. The deed of assignment was initially agreed to be executed prior to the year-end, failing which the Company had a right to cancel the MOU and claim refund of the advance. However, neither has the deed been executed nor the refund claimed by the Company.

We are unable to obtain sufficient appropriate audit evidence regarding the extent of the loss allowance /impairment to be recognised on these inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques, if any, and the consequential impact on the standalone financial statements as at and for the year ended March 31, 2019 and accordingly, forms a basis for the Disclaimer of Opinion.

b. Type of Audit Qualification : ~~Qualified Opinion~~ / Disclaimer of Opinion / ~~Adverse Opinion~~

c. Frequency of qualification: : ~~Whether appeared~~ First time / ~~repetitive~~ / ~~since how long continuing~~

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by the Auditor

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

Based on the management's analysis and assumptions, it is believed that the Financial Statements for the year ended March 31, 2019 are materially correct. Hence the management does not believe that there is any material financial impact on the said Disclaimer of Opinion

With regard to the inter-corporate deposits, corporate guarantees and post -dated cheques in favour of banks/ other parties who have provided loans to certain companies (part of the promoter group) and advance for assignment of leasehold rights, the Management would like to clarify as follows:

- from time to time, the inter corporate deposits were repaid by the borrowing entities to the Company on demand. However, some of these deposits amounting to ₹ 19,929 lakhs and interest outstanding thereon amounting to ₹ 3,150 lakhs are lying outstanding as at March 31, 2019
- the liability on the Company on account of the corporate guarantees/post-dated cheques will not arise till the concerned borrower(s) default on their payment obligations
- repayment of these deposits and the guarantees/post-dated cheques given to/on behalf of these companies along with future interest have been guaranteed by certain promoter Directors of the Company, in the event of a default by the said companies to pay the dues. Furthermore, a promoter group level restructuring is under way to monetize assets to meet up the various liabilities of the companies (part of the promoter group) including the outstanding advances and any potential liability related to the guarantees/post-dated cheques, due to the Company. The management therefore believes that the outstanding dues shall be recovered and no provision is required at this stage.
- the assignment of leasehold rights will be completed subject to completion of due diligence. If the Company decides to not proceed with the transaction or the Assignor fails to make out a clear and marketable title, the Company has the right to rescind/cancel the MOU, basis which Assignor has to refund any money paid by the Company as part payment towards the total consideration.

(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable

(iii) Auditors' Comments on (i) or (ii) above: Refer section II (a) above

Amritanshu Khaitan	**Bibhu Ranjan Saha**	**Indranil Roy Chowdhury**	**Subir Ranjan Dasgupta**	**Rajib Chatterjee**
Managing Director	Joint CFO	Joint CFO	Audit Committee Chairman	Partner Price Waterhouse & Co Chartered Accountants LLP Statutory Auditor

Place: Kolkata
Date: May 27, 2019

Consolidated Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

₹ Lakhs

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	1,54,186.30	1,54,186.30
	2.	Total Expenditure (including tax expense and share of loss of associates)	1,49,403.73	1,49,403.73
	3.	Net Profit/(Loss)	4,782.57	4,782.57
	4.	Earnings Per Share	6.58	6.58
	5.	Total Assets	1,20,732.93	1,20,732.93
	6.	Total Liabilities	83,143.04	83,143.04
	7.	Net Worth	37,589.89	37,589.89
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA

II. **Audit Qualification (each audit qualification separately):**

a. Details of Audit Qualification: Refer para 3 of the Independent auditor's report to the Members of the Company on the audit of the consolidated financial statements, which is reproduced below-

"We draw your attention to Note 34.3 to the consolidated financial statements that describes the (i) inter-corporate deposits and (ii) corporate guarantees and post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group out of which an amount of ₹ 22,917 lakhs (including interest) and ₹ 28,309 lakhs respectively are outstanding as at March 31, 2019. Further, the Holding company has given advance amounting to ₹ 6,200 lakhs to a company, on the basis of a memorandum of understanding (MOU) towards transfer by way of assignment, the leasehold rights of a property. The deed of assignment was initially agreed to be executed prior to the year-end, failing which the Company had a right to cancel the MOU and claim refund of the advance. However, neither has the deed been executed nor the refund claimed by the Holding Company.

We are unable to obtain sufficient appropriate audit evidence regarding the extent of the loss allowance /impairment to be recognised on these inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques, if any, and the consequential impact on the consolidated financial statements as at and for the year ended March 31, 2019 and accordingly, forms a basis for the Disclaimer of Opinion.

b. Type of Audit Qualification : ~~Qualified Opinion~~ / Disclaimer of Opinion / ~~Adverse Opinion~~

c. Frequency of qualification : ~~Whether appeared~~ First time / ~~repetitive~~ / ~~since how long continuing~~

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by the Auditor

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

Based on the management's analysis and assumptions, it is believed that the Financial Statements for the year ended March 31, 2019 are materially correct. Hence the management does not believe that there is any material financial impact on the said Disclaimer of Opinion.

With regard to the inter-corporate deposits, corporate guarantees and post -dated cheques in favour of banks/other parties who have provided loans to certain companies (part of the promoter group) and advance for assignment of leasehold rights, the Management would like to clarify as follows:

- from time to time, the inter corporate deposits were repaid by the borrowing entities to the Company on demand. However, some of these deposits amounting to ₹ 19,780 lakhs and interest outstanding thereon amounting to ₹ 3,137 lakhs are lying outstanding as at March 31, 2019,
- the liability on the Company on account of the corporate guarantees/post- dated cheques will not arise till the concerned borrower(s) default on their payment obligations
- repayment of these deposits and the guarantees/post-dated cheques given to/on behalf of these companies along with future interest have been guaranteed by certain promoter Directors of the Company, in the event of a default by the said companies to pay the dues. Furthermore, a promoter group level restructuring is under way to monetize assets to meet up the various liabilities of the companies (part of the promoter group) including the outstanding advances and any potential liability related to the guarantees/post-dated cheques, due to the Company. The management therefore believes that the outstanding dues shall be recovered and no provision is required at this stage.
- the assignment of leasehold rights will be completed subject to completion of due diligence. If the Company decides to not proceed with the transaction or the Assignor fails to make out a clear and marketable title, the Company has the right to rescind/cancel the MOU, basis which Assignor has to refund any money paid by the Company as part payment towards the total consideration.

(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable

(iii) Auditors' Comments on (i) or (ii) above: Refer section II (a) above

Amritanshu Khaitan
Managing Director

Bibhu Ranjan Saha
Joint CFO

Indranil Roy Chowdhury
Joint CFO

Subir Ranjan Dasgupta
Audit Committee Chairman

Rajib Chatterjee
Partner
Price Waterhouse & Co Chartered Accountants LLP
Statutory Auditor

Place: Kolkata
Date: May 27, 2019

Certificate of Non-Disqualification of Directors

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

To,

The Members of
Eveready Industries India Limited
1, Middleton Street
Kolkata - 700071
West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Eveready Industries India Limited** having CIN : L31402WB1934PLC007993 and having registered office at 1, Middleton Street, Kolkata – 700071, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ramni Nirula	00015330	07.02.2014
2.	Aditya Khaitan	00023788	23.11.1994
3.	Ajay Kaul	00062135	30.05.2017
4.	Suvamoy Saha	00112375	22.03.2005
5.	Aniruddha Roy	00112576	17.09.2018
6.	Amritanshu Khaitan	00213413	10.08.2011
7.	Subir Ranjan Dasgupta	01401511	17.05.2007
8.	Brij Mohan Khaitan	00023771	23.11.1994

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

Atul Kumar Labh

Place: Kolkata
Date: May 27, 2019

Membership No.: FCS 4848
CP No.: 3238

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INDUSTRIES INDIA LTD.

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