

EVEREADY INDUSTRIES INDIA LTD.

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STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND THE YEAR ENDED 31ST MARCH, 2019

		₹ Lakhs				
Particulars	3 months ended (31/03/2019)	Preceding 3 months ended (31/12/2018)	Corresponding 3 months ended in the previous year (31/03/2018)	Year ended (31/03/2019)	Previous year ended (31/03/2018)	
	Unaudited*	Unaudited	Unaudited*	Audited	Audited	
1 Income						
(a) Revenue from operations (Gross)	31,172.43	37,917.92	34,974.62	145,773.38	147,522.87	
(b) Other Income	1,382.79	862.69	126.57	3,540.99	1,976.73	
Total Income	32,555.22	38,780.61	35,101.19	149,314.37	149,499.60	
2 Expenses						
(a) Cost of Materials Consumed	10,788.80	11,589.82	10,064.61	49,691.00	50,432.31	
(b) Purchases of Stock-in-Trade	7,428.08	11,451.51	13,567.57	38,541.00	40,740.71	
(c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	2,274.62	1,126.41	(957.46)	4,275.84	(812.84)	
(d) Excise Duty	-	-	-	-	1,888.18	
(e) Employee Benefit Expense	3,795.46	4,039.65	4,430.93	15,690.38	16,770.81	
(f) Finance costs	1,482.03	1,677.54	810.00	5,398.76	2,870.01	
(g) Depreciation and amortisation expense	551.72	543.26	485.96	2,183.69	1,924.29	
(h) Other Expenses	5,686.08	6,231.26	8,256.79	25,298.16	27,968.01	
Total Expenses	32,006.79	36,659.45	36,658.40	141,078.83	141,781.48	
3 Profit before exceptional items and tax (1-2)	548.43	2,121.16	(1,557.21)	8,235.54	7,718.12	
4 Exceptional Items						
Workmen separation cost	3.80	2,321.44	-	2,325.24	-	
5 Profit before Tax (3-4)	544.63	(200.28)	(1,557.21)	5,910.30	7,718.12	
6 Tax Expense	139.88	(219.99)	55.09	1,184.51	2,244.48	
(a) Current Income Tax	96.18	(105.86)	(271.75)	1,275.52	1,732.72	
(b) Deferred Tax	43.70	(114.13)	326.84	(91.01)	511.76	
7 Profit for the period / year (5-6)	404.75	19.71	(1,612.30)	4,725.79	5,473.64	
8 Other Comprehensive Income (net of tax)						
i) Items that will not be reclassified to profit or loss						
a) Remeasurement gain/(loss) on defined benefit plans	179.01	(5.50)	136.29	160.76	25.45	
b) Income tax related to above	(38.65)	1.07	(29.38)	(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	-	-	-	-	(29.99)	
b) Income tax related to above	-	-	-	-	10.38	
9 Total Comprehensive Income (7+8)	545.11	15.28	(1,505.39)	4,851.91	5,474.05	
10 Paid up Equity Share Capital Face Value : ₹ 5/- per share.	3,634.36	3,634.36	3,634.36	3,634.36	3,634.36	
11 Other Equity	-	-	-	34,034.53	30,792.46	
12 Earnings Per Share (of ₹ 5/- each)-not annualised						
(a) Basic	0.56	0.03	(2.22)	6.50	7.53	
(b) Diluted	0.56	0.03	(2.22)	6.50	7.53	

* Refer note 2

STANDALONE BALANCE SHEET

₹ Lakhs

	Particulars	As at	As at
		(31/03/2019)	(31/03/2018)
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	33,211.51	35,420.83
	(b) Capital work-in-progress	474.25	276.87
	(c) Investment Property	5.64	5.64
	(d) Intangible assets	1,044.66	317.06
	(e) Intangible assets under development	-	6.55
	(f) Financial Assets		
	(i) Investments	1,015.62	265.67
	(ii) Loans	113.19	127.52
	(iii) Other financial assets	676.66	775.53
	(g) Non current tax assets (Net)	943.76	706.62
	(h) Other non-current assets	8,654.03	2,789.69
	Sub-total - Non-current assets	46,139.32	40,691.98
2	Current assets		
	(a) Inventories	25,280.13	30,010.92
	(b) Financial Assets		
	(i) Trade receivables	10,529.80	12,060.57
	(ii) Cash and cash equivalents	469.22	350.88
	(iii) Other balances with banks	50.99	56.90
	(iv) Loans	23,130.52	8,956.54
	(v) Other financial assets	4,643.39	4,414.61
	(c) Other current assets	6,837.60	6,602.71
	(d) Asset held for sale	894.62	-
	Sub-total - Current assets	71,836.27	62,453.13
	TOTAL - ASSETS	117,975.59	103,145.11
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	3,634.36	3,634.36
	(b) Other Equity	34,034.53	30,792.46
	Sub-total - Total Equity	37,668.89	34,426.82
	LIABILITIES		
2	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	20,995.16	8,544.97
	(ii) Other financial liabilities	394.73	394.73
	(b) Provisions	579.96	640.85
	(c) Deferred tax liabilities (Net)	485.96	622.87
	Sub-total - Non-current liabilities	22,455.81	10,203.42
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	8,451.88	10,338.83
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	181.41	104.22
	Total outstanding dues of creditors other than micro enterprises and small enterprises	25,420.14	32,607.79
	(iii) Other financial liabilities	11,554.34	6,833.72
	(b) Other current liabilities	9,169.21	5,938.79
	(c) Provisions	1,762.20	1,379.81
	(d) Current tax liabilities (Net)	1,311.71	1,311.71
	Sub-total - Current liabilities	57,850.89	58,514.87
	TOTAL- EQUITY AND LIABILITIES	117,975.59	103,145.11

NOTES:

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on May 27, 2019.
2. The figures for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between the audited figures in respect of full financial year and the published year-to-date figures up to the 3rd quarter of the current financial year and previous financial year.
3. 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.
4. The Competition Commission of India ("CCI"), issued an Order dated April 19, 2018 concerning contravention of the Competition Act, 2002 (the Act) and imposed a penalty of ₹ 17,155.00 Lakhs, on the Company. On the Company's appeal against the CCI's said Order, the National Company Law Appellate Tribunal (NCLAT) has granted stay on the said penalty subject to deposit of 10% of the penalty amount with the Registry of the NCLAT, which has since been deposited. The Company has received legal advice that owing to the uncertainty of the future outcome of the litigation, the amount of penalty that would be finally imposed on the Company cannot be reliably estimated at this stage and hence no provision is deemed required to be made.
5. 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 01, 2018. The Company has applied modified retrospective approach in adopting the new standard and accordingly, the revenue from operations for the quarter and the year ended March 31, 2019 is not comparable with respective periods reported in the previous year. Necessary adjustments for adoption of the aforesaid standard have been made resulting in increase in profit before tax for the quarter ended March 31, 2019 by ₹ 125.09 Lakhs and increase in earnings per share by ₹ 0.14 and also resulting in increase in profit before tax for the twelve months ended March 31, 2019 by ₹ 118.72 Lakhs and increase in earnings per share by ₹ 0.13.
6. Exceptional items relate to costs related to a voluntary retirement scheme for workmen (VRS), completed during the quarter and year under review for the manufacturing facility at Tiruvottiyur, Chennai. Subsequent to the completion of the VRS, the Company entered into an Agreement for Sale on December 5, 2018 with Alwarpet Properties Pvt. Ltd., for sale of this land for a consideration of ₹ 10,000 Lakhs. The Company had received ₹ 5,000 Lakhs during the twelve months ended March 31, 2019, as per payment terms of the Agreement. Pending completion of the sale, no effect of this transaction has been given in the result for the quarter.
7. 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 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.

8. Figures of the previous quarters/periods have been regrouped/rearranged wherever considered necessary.

EVEREADY INDUSTRIES INDIA LTD



Suvamoy Saha
Director

Kolkata
May 27, 2019

₹ Lakhs

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019			
	Particulars	Year ended (31/03/2019)	Previous year ended (31/03/2018)
		Audited	Audited
1	Income		
	(a) Revenue from operations (Gross)	150,664.14	147,526.04
	(b) Other Income	3,522.16	1,972.99
	Total Income	154,186.30	149,499.03
2	Expenses		
	(a) Cost of Materials Consumed	54,478.75	50,434.39
	(b) Purchases of Stock-in-Trade	38,541.00	40,740.71
	(c) Changes in Inventories of Finished Goods, Work-in-progress & Stock-in-Trade	4,275.85	(798.84)
	(d) Excise Duty	-	1,888.18
	(d) Employee Benefits Expense	15,690.38	16,770.81
	(f) Finance costs	5,476.88	2,930.49
	(g) Depreciation and amortisation expense	2,183.69	1,924.29
	(g) Other Expenses	25,147.96	28,048.63
	Total Expenses	145,794.51	141,938.66
3	Profit before exceptional items, Share of loss of investments and tax (1 - 2)	8,391.79	7,560.37
4	Share of net loss of associates	(87.47)	-
5	Profit before exceptional items and tax (3 + 4)	8,304.32	7,560.37
6	Exceptional item		
	Workmen separation cost	2,325.24	-
7	Profit before tax (5- 6)	5,979.08	7,560.37
8	Tax Expense	1,196.51	2,244.48
	(a) Current Income Tax	1,287.52	1,732.72
	(b) Deferred Tax	(91.01)	511.76
9	Profit for the year (7 - 8)	4,782.57	5,315.89
6	Other Comprehensive Income (net of tax)		
	i) Items that will not be reclassified subsequently to profit or loss		
	a) Remeasurement gain / (loss) on defined benefit plans	160.76	25.45
	b) Income tax related to above	(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	-	(29.99)
	b) Income tax related to above	-	10.38
	iii) Exchange differences in translating the financial statements of foreign operations	18.44	6.15
7	Total Comprehensive Income (5+6)	4,927.13	5,322.45
	Profit for the year attributable to:		
	- Owners of the Company	4,782.57	5,315.89
	- Non-controlling 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
8	Paid up Equity Share Capital Face Value : ₹ 5/- per share.	3,634.36	3,634.36
9	Other Equity	33,955.53	30,638.24
10	Earnings Per Share (of ₹ 5/- each) -not annualised		
	- After Exceptional Item		
	(a) Basic	6.58	7.31
	(b) Diluted	6.58	7.31

STATEMENT OF CONSOLIDATED BALANCE SHEET

₹ Lakhs

	Particulars	As at	As at
		3/31/2019	3/31/2018
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipment	33,211.51	35,420.83
	(b) Capital work-in-progress	474.25	276.87
	(c) Investment Property	5.64	5.64
	(d) Other Intangible assets	1,044.66	317.06
	(e) Intangible assets under development	-	6.55
	(f) Financial Assets		
	(i) Investments	662.56	0.06
	(ii) Loans	113.19	127.52
	(iii) Other financial assets	676.66	775.53
	(g) Non current tax assets	944.37	707.10
	(h) Other non-current assets	8,654.03	2,789.69
	(i) Deferred tax assets (net)	-	-
	Sub-total-Non-current Assets	45,786.87	40,426.85
2	Current assets		
	(a) Inventories	25,280.12	30,010.92
	(b) Financial Assets		
	(i) Trade receivables	13,604.33	12,060.57
	(ii) Cash and cash equivalents	669.61	496.83
	(iii) Other balances with banks	53.96	59.81
	(iv) Loans	22,968.61	8,805.66
	(v) Other financial assets	4,643.99	4,415.21
	(c) Other current assets	6,830.82	6,598.37
	(d) Asset held for sale	894.62	-
	Sub-total-Current Assets	74,946.06	62,447.37
	TOTAL ASSETS	120,732.93	102,874.22
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	3,634.36	3,634.36
	(b) Other Equity	33,955.53	30,638.24
	Sub-total - Total Equity	37,589.89	34,272.60
	Liabilities		
2	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	20,995.16	8,544.97
	(ii) Other financial liabilities	394.73	394.73
	(b) Provisions	579.96	640.85
	(c) Deferred tax liabilities (Net)	485.96	622.87
	Sub-total - Non-current liabilities	22,455.81	10,203.42
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	10,850.52	12,132.99
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	181.41	104.22
	Total outstanding dues of creditors other than micro enterprises and small enterprises	25,830.17	30,694.59
	(iii) Other financial liabilities	11,569.57	6,833.97
	(b) Other current liabilities	9,169.80	5,940.91
	(c) Provisions	1,762.20	1,379.81
	(d) Current Tax Liabilities (Net)	1,323.56	1,311.71
	Sub-total - Current liabilities	60,687.23	58,398.20
	TOTAL- EQUITY AND LIABILITIES	120,732.93	102,874.22

NOTES:

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on May 27, 2019.
2. The consolidated results of the Company include the results of the Company and its subsidiaries, Greendale India Limited (formerly Litez India Limited), Everspark Hong Kong Private Limited and its associate namely Preferred Consumer Products Pvt Ltd.
3. The consolidated results have been prepared in accordance with the principles and procedures as set out in the Ind AS 110 - "Consolidated Financial Statements" and Ind AS 28- "Investments in Associates and Joint Ventures"
4. 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.
5. The Competition Commission of India ("CCI"), issued an Order dated April 19, 2018 concerning contravention of the Competition Act, 2002 (the Act) and imposed a penalty of ₹ 17,155.00 Lakhs, on the Company, On the Company's appeal against the CCI's said Order, the National Company Law Appellate Tribunal, (NCLAT) has granted stay on the said penalty subject to deposit of 10% of the penalty amount with the Registry of the NCLAT, which has since been deposited. The Company has received legal advice that owing to the uncertainty of the future outcome of the litigation, the amount of penalty that would be finally imposed on the Company cannot be reliably estimated at this stage and hence no provision is deemed required to be made.
6. 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 1st April, 2018. The Company has applied modified retrospective approach in adopting the new standard and accordingly, the revenue from operations for the quarter and the year ended March 31, 2019 is not comparable with respective periods reported in the previous year. Necessary adjustments for adoption of the aforesaid standard have been made resulting in increase in profit before tax for the quarter ended March 31, 2019 by ₹ 125.09 Lakhs and increase in earnings per share by ₹ 0.14 and also resulting in increase in profit before tax for the twelve months ended March 31, 2019 by ₹ 118.72 Lakhs and increase in earnings per share by ₹ 0.13.
7. Exceptional items relate to costs related to a voluntary retirement scheme for workmen (VRS), completed during the quarter and the year under review for the manufacturing facility at Tiruvottiyur, Chennai. Subsequent to the completion of the VRS, the Company entered into an Agreement for Sale on December 5, 2018 with Alwarpet Properties Pvt. Ltd., for sale of this land for a consideration of ₹ 10,000 Lakhs. The Company had received ₹ 5,000 Lakhs during the twelve months ended March 31, 2019, as per payment terms of the Agreement. Pending completion of the sale, no effect of this transaction has been given in the result for the quarter.

8. 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 ₹ 19,780 lakhs and interest outstanding thereon amounting to ₹ 3,137 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 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.
9. Figures of the previous periods have been regrouped /rearranged wherever considered necessary.

EVEREADY INDUSTRIES INDIA LTD



Suvamoy Saha
Director

Kolkata
May 27, 2019

Price Waterhouse & Co Chartered Accountants LLP

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.

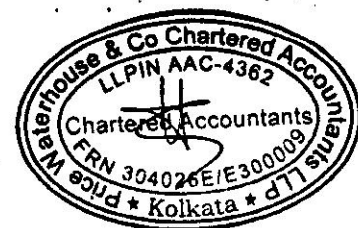
Basis for Disclaimer of Opinion

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 Rs.23,079 Lakhs (including interest) and Rs. 28,309 Lakhs respectively are outstanding as at March 31, 2019. Further, the Company has given advance amounting to Rs.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 Rs. 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.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

Responsibilities of management and those charged with governance for the standalone financial statements

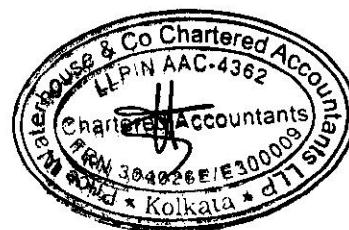
5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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.

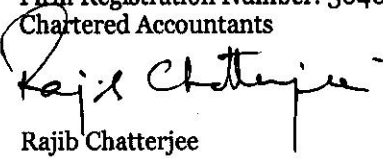


INDEPENDENT AUDITOR'S REPORT

To the Members of Eveready Industries India Limited
Report on audit of the Standalone Financial Statements
Page 3 of 3

- (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

Price Waterhouse & Co Chartered Accountants LLP

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 Rs.22,917 Lakhs (including interest) and Rs. 28,309 Lakhs respectively are outstanding as at March 31, 2019. Further, the Holding Company has given advance amounting to Rs.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

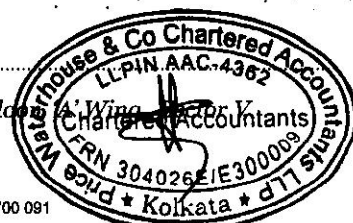
4. We draw attention to Note 34.1 to the consolidated financial statements which relates to the penalty of Rs. 17,155 Lakhs levied by the Competition Commission of India for non-compliance with provisions of the Competition Act 2002, against which an appeal has been filed by the Holding Company with 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.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

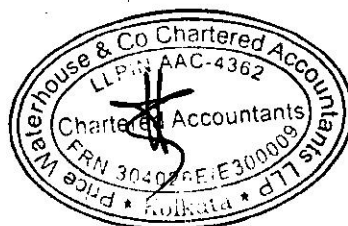


Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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.



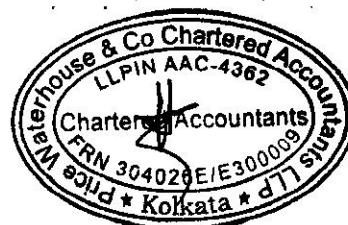
Other matters

10. We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs 29.46 Lakhs and net assets of Rs -165.66 Lakhs as at March 31, 2019, total revenue of Rs.0.20 Lakhs, loss of Rs. 11.18 Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs-11.18 Lakhs and net cash flows amounting to Rs 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 Rs.- 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 Rs5,267.39 Lakhs and net assets of Rs 435.68 Lakhs as at March 31, 2019, total revenue of Rs. 8,623.66 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs155.44 Lakhs and net cash flows amounting to Rs 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.

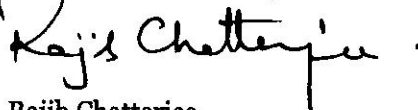
Report on Other Legal and Regulatory Requirements

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




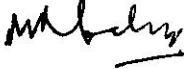


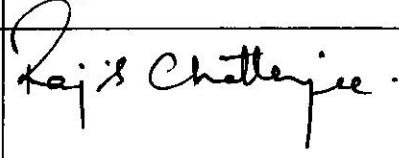
Rajib Chatterjee
Partner
Membership Number: 057134

Place: Kolkata
Date: May 27, 2019

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]

(Rs. in 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	149,314.37	149,314.37
	2.	Total Expenditure (including tax expense)	144,588.58	144,588.58
	3.	Net Profit/(Loss)	4,725.79	4,725.79
	4.	Earnings Per Share	6.50	6.50
	5.	Total Assets	117,975.59	117,975.59
	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):			
	<p>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 Rs.23,079 Lakhs (including interest) and Rs. 28,309 respectively are outstanding as at March 31, 2019. Further, the Company has given advance amounting to Rs.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.</p> <p>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.</p>			
	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:			
	<p>(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.</p> <p>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 :</p> <ul style="list-style-type: none"> - 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 Rs. 19,929 lakhs and interest outstanding thereon amounting to Rs. 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 			

	<p>-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.</p> <p>-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.</p>
	(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
III.	Signatories:
	<p>Amritanshu Khaitan Managing Director</p> 
	<p>Bibhu Ranjan Saha Joint CFO</p> <p>Indranil Roy Chowdhury Joint CFO</p>  
	<p>Subir Ranjan Dasgupta Audit Committee Chairman</p> 
	<p>Rajib Chatterjee Partner Price Waterhouse & Co Chartered Accountants LLP Statutory Auditor</p> 
	<p>Place: Kolkata Date : May 27, 2019</p>

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]

(Rs. in 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	154,186.30	154,186.30
	2.	Total Expenditure (including tax expense and share of loss of associates)	149,403.73	149,403.73
	3.	Net Profit/(Loss)	4,782.57	4,782.57
	4.	Earnings Per Share	6.58	6.58
	5.	Total Assets	120,732.93	120,732.93
	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 Rs.22,917 Lakhs (including interest) and Rs. 28,309 respectively are outstanding as at March 31, 2019. Further, the Holding Company has given advance amounting to Rs.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:


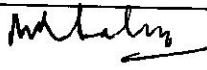
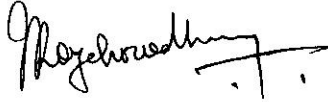


Based on the management's analysis and assumptions, it is believed that the Financial Statements for the year ended March 31, 2019 are materially correct. Hence the management does not believe that there is any material financial impact on the said Disclaimer of Opinion.

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 Rs. 19,780 lakhs and interest outstanding thereon amounting to Rs. 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

	<p>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.</p> <p>-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.</p>
	(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
III.	Signatories:
	<p>Amritanshu Khaitan Managing Director</p> 
	<p>Bibhu Ranjan Saha Joint CFO</p> <p>Indranil Roy Chowdhury Joint CFO</p>  
	<p>Subir Ranjan Dasgupta Audit Committee Chairman</p> 
	<p>Rajib Chatterjee Partner Price Waterhouse & Co Chartered Accountants LLP Statutory Auditor</p> 
	<p>Place: Kolkata Date : May 27, 2019</p>